

The business of equality

Business can play a leading role in reducing social exclusion, argues Patricia Hewitt, Secretary of State for Trade and Industry and Minister for Women

Tackling the causes and effects of social exclusion cuts across the work of government, but I am particularly pleased to contribute to **Equal News** today, as it focuses on new approaches to providing access to the world of work for those at greatest risk of exclusion.

I believe we must tackle labour-market exclusion from all sides: by raising the employability of the individual and by engaging business through making the case for corporate social responsibility. My department has led on this for the Government, focusing in particular on skills issues. We are encouraging businesses to become more involved in driving up standards of adult literacy and numeracy and encouraging investment in deprived communities.

Seven million adults in England and Wales have yet to reach the literacy and numeracy skills expected of an average 11 year old. This is the legacy of long-term educational failure which is now being addressed. It is estimated that basic skills deficiencies cost an average business with over 50 employees approximately £150k. Businesses can address these weaknesses among their employees and in the wider com-

munity, to raise their competitiveness and widen their pool of potential employees.

The gap in living standards between the most deprived neighbourhoods and the rest of the country is wide, and grew through the 1980s-1990s, with social and economic consequences that go much wider than the impact on local residents. For example, 82% of the most deprived English wards are concentrated in 88 local authority districts. Some businesses already include investment in deprived areas within their strategies.

In my role as Minister for Women, I also have a natural interest in **Equal's** work on reducing gender segregation and the pay gap. Here too, my department is involved directly in the programme, through the Women and Equality Unit. Women who work full-time are paid on average just 81% of men's hourly earnings. The causes of this pay gap are complex, but include women having fewer qualifications than men on average, differences in the jobs that men and women do, the impact of taking time out of paid work to care for children and, in some cases, discrimination.



Patricia Hewitt

The pay gap isn't just bad news for women. It means that women's abilities and skills are not being fully utilised in businesses and in the economy. The Government is committed to reducing the pay gap between men's and women's earnings - ensuring equality between men and women and making sure that women's talents are properly used and rewarded. This clearly matters for women and for national economic prosperity.

I welcome the fact that **Equal** will work with a wide range of stakeholders - including business - to address the causes of exclusion for many different target groups. I look forward to the outcomes of its work. ■

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Equal News

Equal News is produced by the GB **Equal** Support Unit on behalf of the Department for Work and Pensions (DWP), European Social Fund Division. For further details contact the GB Support Unit, details on page 8.

Staying ahead of the game

Equal's first call is well underway, so thoughts are turning to mainstreaming activities and even the second call - due in 2004.

SCOTLAND GEARS UP FOR MAINSTREAMING

In February, the Scottish **Equal** Support Unit held a Development Partnership (DP) open day to mark the official launch in Scotland of Action 3, the dissemination and mainstreaming phase of **Equal**. DPs showcased their work to over 200 delegates, and Action 3 was launched by Diane McLafferty, Head of Structural Funds at the Scottish Executive.

The Support Unit continues to consult on mainstreaming through events bringing together DPs, management committee members and policy representatives. As a result, the Scottish Mainstreaming Strategy, which will form the basis of Action 3 applications in Scotland, is well on its way.

The Support Unit has been undertaking monitoring visits to all Scottish DPs. These visits have shown that activity is now beginning to progress well. DPs are developing links with policy representatives to ensure that mainstreaming activity will have the maximum possible impact.

It has been a busy quarter, but one that has given DPs the opportunity



*George O'Doherty, Chair of the Northern Ireland **Equal** Monitoring Committee, with Margaret James, Director of the GB **Equal** Support Unit and Ian Forsyth, GB **Equal** National Co-ordinator*

to make their work more widely known - and therefore good preparation for mainstreaming.

WALES LOOKS FORWARD

Equal continues apace in Wales, too. In November, the three Welsh DPs were launched in Brussels and in Cardiff. The latter event featured a keynote speech by the Minister for Economic Development, Andrew Davies AM.

All stakeholders in Wales have contributed to a mainstreaming strategy for Wales, which is currently being finalised.

There was a very good response to the Welsh European Funding Office (WEFO) **'Equal**

Awareness-Raising Seminar for the Second Call', on 26 March 2003 at the Metropole Hotel, Llandrindod Wells. WEFO secured the services of a mobile crèche for this event, to increase accessibility for parents. Welsh and GB Development Partnerships attended the seminar to promote their work and give advice to those interested in the programme.

CROSS-BORDER WORK IN NORTHERN IRELAND

Meanwhile, the Special EU Programmes Body, which chairs the Northern Ireland **Equal** Monitoring Committee jointly with the Department for Employment and Learning (DEL), held an inaugural event bringing together Northern and Southern Irish DPs. It is hoped that DPs in the North and the South will have further opportunities to explore joint activities through thematic work and by sharing their focus on mainstreaming and equality issues.

The DEL also hosted the most recent meeting of **Equal's** Joint Support Structures - managing authorities and Support Units from the UK and Ireland ■

Mainstreaming opportunity

Using existing contacts, Carers UK has found an outlet for **Equal** expertise.

Following recent **Equal** events on mainstreaming, Carers UK met with Dan Jefferson, head of public affairs at Jobcentre Plus. They discussed using **Equal** DPs' expertise to develop new materials which a Jobcentre Plus review of training needs identified as required for its personal advisers and financial assessors.

The meeting explored the possibility of DPs working on a joint project to develop a training tool for Jobcentre Plus, covering core common issues for 'hard to help' groups. This could be an excellent opportunity to ensure that **Equal** DPs' work feeds directly into a core service and is effectively mainstreamed.

DPs interested in taking part can find more details on the discussion forum on the **Equal** website ■



Investing in people

The employability of the individual lies at the heart of Equal. DPs are working across a range of target groups to show that new approaches can work.

In March 2002, the Barcelona European Council called for a stronger European Employment Strategy as the basis for increased social cohesion. It concluded that the strategy 'should focus on raising the employment rate by promoting employability and by removing obstacles and disincentives to take up or remain in a job'.

Although the UK's employment rate is among the highest in the European Union, existing

"The priority is to help people find and sustain employment."

labour-market measures have not been altogether effective in tackling problems faced by disadvantaged groups. **Equal** is testing new ways to provide people with the skills and incentives they need for employment. This work can impact on mainstream policy and ensure that these measures really become effective.

Helping people to find and sustain employment or training opportunities is a priority that allows DPs to develop new ways of targeting, assessing and supporting disadvantaged groups.

HARNESSING LOCAL POTENTIAL

The *Common Ground* DP aims to co-ordinate and standardise labour-market interventions across Yorkshire's Kirklees district, in order to combat inequality and discrimination. The partnership is testing new ways of working with employers to help them employ socially excluded people. Statistics show that working with employers to help them recognise appropriately skilled individuals from all backgrounds can help to combat high unemployment among certain disadvantaged groups.

Equal allows the DP to influence recruitment and selection practices and organisational culture, and to promote processes that support diversity in the workplace and combat inequalities and discriminatory practices in the labour market.

SKILLS FOR EMPLOYABILITY

The Community Media Association's mission is 'to enable people to establish and develop community-based communications media for community development and empowerment, cultural expression, information and entertainment'. The core of all the *Voices without Frontiers* DPs activity is practical learning in an informal, social environment. Users are encouraged to define their own objectives; staff are on hand to help users' development through teaching, mentoring and support programmes.

Celena Bretton, sector hub manager, believes that Commu-



nity Media centres are: "ideally placed to target individuals who are unlikely to seek learning opportunities through mainstream provision. Project work emphasises empowerment through self-expression, providing a safe and relevant environment for users to develop confidence in their ability to learn".

GETTING THOSE HARDEST TO HELP INTO LONG-TERM EMPLOYMENT

The *Impact* DP is seeking to improve employment and training opportunities for offenders and ex-offenders through its integrated, inter-agency approach. To support the target groups, the DP is developing a programme to increase their employability skills, levels of control and discipline, knowledge, confidence and self-esteem.

Bill Spiby from the Prison Service stresses that: "The key to success in any partnership project is managing beneficiaries through a shared multi-agency case-record system. This provides for a responsive, co-ordinated delivery, reduces duplication of work and ensures that all project staff are pulling in the same direction."

ENGAGING WITH EMPLOYERS

It is vital to engage with employers if people are to develop the skills they need to move into employment or to progress in work. Engaging employers is crucial as a means of breaking down the barriers that prevent people from moving quickly into employment.

Equal DPs are actively developing links with employers. Andrew Dunn, from the *Now!* DP, explains that, "we have engaged with the local regeneration partnership. The partnership contains a number of employers who are interested in **Equal**. They see our project as a way of increasing their chances of employing people. We see it as a way of signposting people into 'real' jobs".

MIND THE GAP

It is almost 30 years since the Sex Discrimination Act was introduced in Great Britain. Its intention was to support fair treatment between men and women in the workforce. Legislation and policy have helped to improve women's working conditions, but full-time female employees still earn on average 19% less than their male counterparts. This issue is a Europe-wide one and is currently being addressed by the



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European Commission, which is trying to identify ways to promote equal pay.

Occupational segregation is a crucial factor in the pay gap. Three-quarters of working women are employed in just five occupational sectors, where pay is significantly lower

than in those sectors dominated by male employees.

The Government's Women and Equality Unit actively develops and promotes policies that support flexible working for women, and is also working to close the pay gap. The Equal Opportunities Commission (EOC) is also committed to increasing women's participation in the better paid and traditionally male sectors of engineering, construction, and information and communications technology.

This is a challenging time for gender issues, as new systems will emerge and provide both threats and opportunities for equality. **Equal** DPs have a key role to play by testing new ways to tackle these issues.

"This is a challenging time for gender issues."

Four DPs are currently working to promote gender equality in the workplace, reduce gender gaps and support job desegregation. They have set up wide-ranging partnerships which include the EOC, Learning and Skills Councils, the Connexions Service and the private and voluntary sectors.

THE EQUAL RESPONSE

JIVE (Joint Interventions) Partners is a partnership of 10 organisations in England and Wales. Led by Bradford College, *JIVE* is bringing together equalities experts - the Women's Training Network and EOC - in a unique collaboration with sectoral skills councils and further, higher and community education organisations.

JIVE is developing and promoting best equality practice to provide inspiration and support for women and girls interested or already pursuing careers in en-

gineering, construction and technology. Giving women access to a wider choice of careers and increasing their earnings potential are crucial for overcoming the gender pay gap. Coaching and encouragement are vital ingredients to ensure that women receive sufficient support to succeed, so *JIVE* is promoting a blueprint for role model mentoring which is being rolled out across the country.

Employers are experiencing skills shortages, and there is increased demand for a diverse workforce. But the learning and employment culture and environment remain hostile to most women, leading to early drop-out from courses and difficulties in entering mainstream employment.

To break down barriers and tackle gender stereotyping in professional practice, *JIVE* is devising practical solutions for learning providers and careers professionals. Colleges, universities and work-based learning providers are taking part in one-day training events, followed up with advisory services, to enable them to deliver change in their practice or organisation.

"We are excited by our national infrastructure, which is developing into an innovative, exciting model for collaborative national action to overcome gender stereotyping," says Annette Williams, project coordinator.

MAKING INROADS IN THE TRANSPORT SECTOR

The *Fuirich Transport* DP is championing the case for more women in the transport industry in Great Britain. Led by NTP Ltd and a wide range of partners, the DP emphasises empowerment and has established an 'Empowerment Toolkit.' The toolkit clearly identifies the barriers faced by women wishing to enter the transport industry. It helps individuals to overcome these barriers by creating a positive learning environment and finding new ways of doing things.



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CAREERS GUIDANCE AT THE HEART OF EQUALITY

The *Gender Equality and Race Inclusion (GERI) DP*, led by Connexions Lancashire, is working to reduce the influence of stereotyping in career choice. The aim is to create a valuable resource for careers practitioners and young people to use. Through the DP's innovative project management website, partners are able to share materials on equality. The DP will produce and test new training and guidance materials, and is using role models to research what influences career choices.

"Labour-market information confirms that, when a job has the image of being mainly for one gender, or for people of a certain age, it doesn't much matter what the law says about equality, others simply don't apply. Even when they're perfectly suited or qualified, or when there are known skill or labour shortages," says

project manager John Flaherty. "Doing away with gender and ethnic stereotyping is an important objective of *GERI*. We are helping the Connexions and careers guidance sector, schools, colleges, training providers and employers to end gender and ethnic stereotyping."

EQUAL'S OPPORTUNITY

In the drive to achieve a sustained, permanent increase in employment, it is essential to ensure that employment opportunities are spread more equally, the concentration of unemployment among certain groups in society is reduced, the perils of long-term unemployment and inactivity are removed, and welfare dependency reduced.

Equal aims to test new ways to meet the needs of those who are excluded or discriminated against in the labour market. It therefore has the potential to make an essential contribution to this goal ■

Projects' lead partners

Further information about the DPs mentioned in this article can be obtained by contacting the projects' lead partners.

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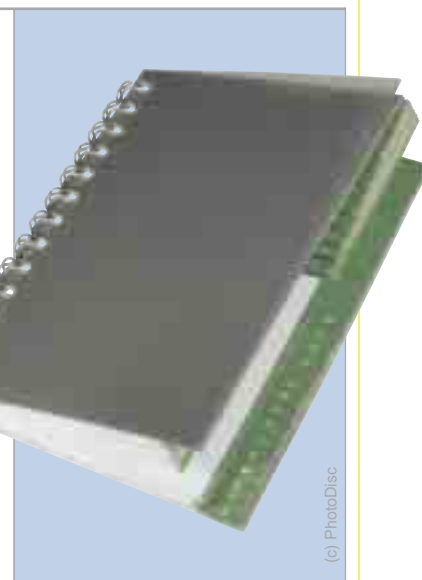
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£equal Pay

It is now over 30 years since the the Equal Pay Act was passed, writes Julie Mellor, chair of the EOC, but pay equality remains an apparently distant goal. So why hasn't this revolutionary legislation closed the earnings gap?

Despite huge progress in the workplace since the 1970s - entering a wider range of fields, and reaching more senior levels - women working full-time still earn on average 19% less per hour than do men. The discrepancy is even greater for part-time workers - and more than 40% of women in the UK work part-time. On average, they earn 41% of men's hourly earnings. This gap has scarcely changed in 20 years.

The last time a comparison of the pay records of different European countries was made (the 1995 Structural Earnings Survey), the UK languished at the bottom of the league table.

VALUING WOMEN

That's why the EOC has made equal pay its top priority in recent years. The 'Valuing Women' campaign uses a combination of research, advertising and partnership work with employers, unions and government to generate debate and raise the level of awareness of key stakeholders and the general public around this issue.

At the start of the campaign, the EOC set up an Equal Pay Taskforce, led by employers. It identified three main factors contributing to the pay gap: discrimination in pay, the concentration of women in a relatively small number of low-paid

occupational sectors, and the unequal impact of women's family responsibilities.

These factors can all be addressed through Equal. DPs in Theme H (Equal Opportunities) are focusing on

reducing gender gaps, including the pay gap, and on desegregating the labour market. Theme F, with its emphasis on adapting to change, can support DPs seeking to develop ideas that help to reconcile family and professional life.

The Equal Pay Taskforce produced a package of proposals to tackle pay discrimination, which have informed much of the EOC's recent work. The recommendations included publicising the facts to raise awareness of the problem, modernising pay legislation, and improving the guidance available for employers and unions.

The EOC's research found that more than 90% of employers believe they provide equal pay, but



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For up-to-date information on sex discrimination and equal pay

Helpline 0845 601 5901

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www.eoc.org.uk

few have actually done a meaningful review to establish the facts. This confirmed the EOC's suspicion that many employers simply don't know what the situation is in their own organisation. Secure in the belief that they value their staff and pay women and men fairly, they assume the problem lies elsewhere. However, pay arrangements are often complicated and the causes of sex bias are not always obvious. The only way to find out if a pay system is fair is to carry out a pay review.

The EOC wants to see pay reviews become a standard part of good business practice, and to make it easier for employers to do a review. So it has developed an Equal Pay Kit to help employers. The kit identifies five key steps:

EQUAL PAY KIT

1. Deciding the scope of the review and identifying the data required.
2. Determining where men and women are doing equal work.
3. Collecting pay data to identify gaps in equal pay.
4. Establishing the causes of any significant pay gaps and assessing the reasons for them.
5. Developing an equal pay action plan, and reviewing and monitoring.

The kit was piloted with employers last year and is now available on the EOC website, www.eoc.org.uk. Along with practical tips on common causes of unequal pay, particularly in areas like starting pay, grading and performance pay. The EOC has also launched a kit designed for smaller employers.

The EOC has also joined forces with Opportunity Now (a business campaign to help employers to realise the economic potential and business benefits of women in the workforce) to set up an Equal Pay Forum. The forum gives employers the oppor-

"Pay reviews should become part of good business practice."



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tunity to share and learn from each other's experiences of the pay review process.

Two years ago, the EOC set targets for the number of employers carrying out a pay review. The aim is to see 50% of large employers (more than 500 employees) doing a review by the end of 2003, and 25% of smaller employers doing one by the end of 2005. The first of those deadlines is fast approaching, and the EOC will soon publish research to measure progress against the goals. The Government has led the way by committing all government departments to do reviews by the end of March 2003.

There is a strong business case for employers to carry out a pay review. It sends a strong message to staff that their work is valued, which helps to attract and retain the best people. Wider benefits include improved morale and productivity and a strong public reputation. A thorough pay review also gives employers an opportunity to explore the relative value of jobs dominated by women or men.

CHANGING WORKPLACE CULTURE

While pay reviews are fundamental to closing the pay gap, there are other key areas for action too. As well as increasing employers' understanding of their responsibilities, the EOC is campaigning to raise individuals' awareness of their rights. It has run advertising campaigns and

worked

closely with unions to help them train their officers and members on equal pay issues.

The EOC is also working to raise awareness of new rights on flexible working, which come into force in April. It is hoped these new rights will reduce the impact of family responsibilities on women's pay. Many women still find that their career grinds to a halt after having children. Perhaps it is assumed that their priorities lie elsewhere, or maybe their employer just doesn't offer them the flexibility they need. Some women feel compelled to leave work altogether, as they can't manage to juggle childcare and inflexible employment.

Men, on the other hand, work longer hours and earn more after they become fathers - perhaps to compensate for the likely drop in overall household income. A change of culture is needed, so that employers realise that if you ask to change your working arrangements, it doesn't mean you are any less committed. The EOC's new advertising campaign is designed to put that message across to employers and employees alike.

There is no simple solution to the continuing inequality of women's and men's pay: the gap is proving very difficult to close. It requires sustained, concerted action on the part of employers, unions and government in order to consign unequal pay to the history books where it belongs ■

Publications websites events



e@si : interactive database on social inclusion

www.socialinclusion.info

Gives local initiatives the chance to disseminate their work and discuss projects and issues, and to identify new approaches and find new project partners. The *Sequal* DP will track hits on the database and analyse billboard comments. Projects generating significant interest will be invited to present their work at an international conference in Rome on 23 May 2003.

Women and Equality Unit



www.womenandequalityunit.gov.uk

Scottish Equal Support Unit

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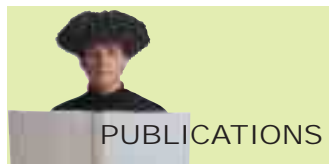
The aim of the Women and Equality Unit is to reduce and remove barriers to opportunity for all. It works with Government to bring about measurable improvements in the position of women which benefit society generally; and to promote equality for all. The Women and Equality Unit is also running a questionnaire on Equal Pay available on this site.

Active Community Unit

www.homeoffice.gov.uk/acu/acu.htm

Prisoner Learning and Skills Unit

www.dfes.gov.uk/prisonerlearning/



Empowerment indicators: combating social exclusion in Europe

Nicholas Walters, Simon Lygo-Baker and Sanja Strkljevic, School of Educational Studies, Guildford Institute of the University of Surrey

www.surrey.ac.uk/Education/cse/new.htm

Takes a fresh look at empowerment, examining it in the context of increasing globalisation and policy emphasis on people's responsibility for their own destiny.

Empowerment indicators are of particular use to practitioners developing new interventions requiring empowering approaches, and for those developing policies to address inclusion and social coherence.

An explosion in Italy

Mount Etna has a say in *KEEP*'s first foray abroad.

The Kenward Trust operates residential and day counselling services for the rehabilitation and long-term care of those with alcohol and other drug problems. In October 2002, five beneficiaries and three Trust staff visited Reggio Calabria in Italy. This was the first transnational visit by *KEEP* (Kent Equal Employment Partnership) partners. It was hosted by the Italian FOCUS **Equal** project.

Visits to projects working with those with drug/alcohol problems helped the visitors to understand differences in approaches to recovery from addiction. In Reggio Calabria, there is widespread use of social enterprises for recovered addicts to gain employment skills, such as restaurants in the town and gardening contracts with the local authority. In southern Italy, cultural differences also mean that there is greater use of the family as a support structure. Family members are included in therapy or counselling for service users.

The week's finale was as exciting as it was unexpected - Etna erupted, preventing the group from reaching a nearby village on Sicily.

It is hoped that the host organisations will visit Kenward Trust in September 2003 as part of a week-long series of transnational activities planned for *KEEP*. Further information on *KEEP* is available at www.ukc.ac.uk/keep



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