

## EQUALITY IMPACT ASSESSMENT - RESULTS

<b>Title of Policy</b>	Scottish Government Returners Fund - Pilot Projects (2017 - 2018)
<b>Summary of aims and desired outcomes of Policy</b>	The Programme for Government contains ambitious commitments in support of women's equality including to establish a 'Returners' project so that women can get help updating skills and knowledge and employers can retain skilled staff after a career break.
<b>Directorate: Division: team</b>	Directorate for Fair Work, Employability & Skills. Workforce Equality Team

### Executive summary

Scotland's Economic Strategy focuses on the complementary goals of boosting competitiveness and tackling inequality. It is an approach supported by a growing body of international evidence which shows that countries with more equal societies typically enjoy stronger, more sustainable growth over the long run. We believe that promoting growth in employment opportunities and tackling inequality within the labour market are not mutually exclusive. In fact, we believe that tackling inequality is essential to the sustained, long-term prosperity of the Scottish economy.

Employment rates, pay gaps, occupational segregation, workplace discrimination and progression opportunities within the labour market vary significantly across Scotland and also among specific communities.

Evidence suggests that many women struggle to return to work after a career break due to factors such as a lack of access to flexible working to support care commitments but they can also feel a lack of confidence and lack relevant skills especially in sectors where technology has moved on at a rapid pace. As a result they can find their job choices limited to lower paid, part time work and can experience pay inequality, underemployment, job insecurity, and a lack of opportunities for development and career progression.

This project will re-affirm the Government's commitment to Inclusive growth by helping women achieve their potential in the workplace. Although Scotland outperforms the UK as a whole for women's employment, unemployment and inactivity levels, women still face issues accessing decent work and are often found in traditionally low paid, low skilled, part time work due to deep rooted, structural factors like occupational segregation.

Occupational segregation is one of the barriers which prevents women and men from fulfilling their potential in the labour market, and consequently is one of the main drivers of the pay gap. Women tend to be concentrated in the lower paid jobs (e.g. caring, catering, cleaning, clerical, cashiering) and the lower grades within an organisation, while men tend to dominate the higher paying jobs, e.g. Engineering, Digital, Construction and/or at a higher level i.e. Senior Managers/Directors/Partners.

It will also contribute towards achieving outcomes within Scotland Performs, and the National Performance Framework.

This is expected to be a programme of funding which may involve initiatives across various industrial sectors where women face barriers in re-entering the workplace after a career break.

## **Background**

Fairer Scotland Action Plan. - By the end of 2016, we will launch a pilot 'Returners' project to help bring experienced women back into the workplace after a career break.

This commitment was based on the success of the 'Returnships' (Copyright Goldman Sachs) model in the USA. These 'Returnships' played a role in bringing experienced women back into their previous career after a break, helping them update skills and knowledge, and enabling employers to gain from retaining skilled staff.

The initial pilot was awarded to Equate Scotland to continue to deliver a pilot six month women returners to the Science, Technology, Engineering and Mathematics (STEM) sector project funded by Skills Development Scotland.

The Cabinet Secretary for Economy, Jobs and Fair Work announced a commitment to provide the necessary funding to support at least 200 women returners get back into work at the SNP party conference in March 2017 .

Jamie Hepburn, Minister for Employability and Training, further announced the fund value of up to £200,000 and an open call for applications at the Equate Scotland Conference on Wednesday 26th April 2017.

### **The Scope of the EQIA**

The Scottish Government Returners Fund will have an affect on women, men and businesses in Scotland, directly or indirectly.

The EQIA has been informed by detailed analysis of existing evidence and data (both qualitative and quantitative) in order to draw out the potential impacts of the policy for the eight protected characteristics:

Age, Disability, Sex, Pregnancy and maternity, Gender reassignment, Sexual Orientation, Race, Religion and Belief

The evidence for this EQIA was taken from the Office for National Statistics (ONS), International Labour Organisation (ILO), Census data 2011, Labour Force Survey, Equalities and Human Rights Commission (EHCR) report Fair Opportunities for all (2017), EHCR report: Pregnancy and Maternity Related Discrimination and Disadvantage (2015), Scottish Government Equality Outcomes: Lesbian, Gay, Bisexual and Transgender (LGBT) Evidence Review, and A Fairer Scotland for Disabled People – Action Plan

The Scottish Government has also used both formal and informal stakeholder feedback to inform the development of the policy.

This included consultation with stakeholder organisations including Equate Scotland re gender imbalance in STEM sector, Adopt an Intern, Scottish Enterprise, Women's Enterprise Scotland, Women Returners Ltd, Engender, members of the Strategic Group on Women and Work and the UK Government.

The EQIA has highlighted evidence that women and particularly women with additional protected characteristics, experience inequality in the labour market . This analysis has confirmed the need for a Fund to support women who have had a career break due to caring commitments to return to the labour market at a level commensurate with their skills and experience

This is why applicants to the Fund will be asked to demonstrate :

- Identification and promotion of practice that works in reducing employment inequalities, discrimination and barriers for women.
- Equality of opportunity for Women, Minority Ethnic women, Disabled women and Older women (those aged over 50) to access and progress in work.

- Open up work opportunities for women in sectors and roles in which they are under-represented.
- Support businesses to develop knowledge and skills around fair work principles and the benefits of embracing inclusive workplaces.
- Support businesses to prepare and offer work experience placements for participants.
- the immediate to longer term outcomes for the participants with clear post programme support and progression evidenced.
- How they will monitor and measure the impacts of the programme on the participants and placement providers.

The policy proposition relating to the Returners Fund will primarily have an impact on supporting women including disabled women, older women and minority ethnic women. However by encouraging employers to adopt more inclusive workplace and recruitment practices will also indirectly help support all workers including those with other protected characteristics.

## Key Findings

Older workers (those aged over 50).

Two thirds of pensioners in employment work part-time. Working pensioners work mainly in medium-high skilled occupations but female pensioners work considerably more in medium-low and low skilled occupations than male pensioners. The number of working pensioners stating that they are overemployed has grown considerably over the past decade, suggesting that many would prefer to reduce their hours.

Levels of investment in training opportunities for older workers have been very low for the past decade. Female pensioners have greater caring responsibilities than men which is likely to prevent many women from remaining in work or being able to work full time. There is also a higher gender pay gap in older age groups, partly due to inequality of unpaid care between men and women.

These findings highlight the importance of Scottish Government policies to promote age inclusive workplace practices, address the drivers of the gender pay gap, support employment opportunities for those who need it the most and support retraining and flexible working for all workers. The Returners fund has been designed to support older women to gain up to date work experience and skills to support their entry into the workplace following a career break. It also supports placement providers to acknowledge the talent and experience that older women can bring to the workplace and the business benefits implementing fair work policies and recruitment practices can bring.

### Disabled Groups

Disabled people are significantly less likely to be in employment than people who are not disabled. In 2016, the disability employment gap was 37.4 percentage points. The employment rate for women under the Equality Act definition is 44% compared to 78% of those not defined as having a disability. The aim of the Returners Fund will be to support more disabled women to re-enter the workplace to progress their careers.

### Sex

The employment rate in 2016 for men is 76.9% and for women it is 69.2%. There has been an increase in the inactivity level for women now stands at 27.5% in 2016. The gender pay gap in 2016 is at 6.2% and gender segregation and other structural issues remains a persistent issue.

We also have aging female workforce with growing care responsibilities.

Of those women who are inactive around 29% (the largest group) were looking after family/home. The proportion of economically inactive women who would like a job is around 21.5%.

Occupational segregation is one of the barriers which prevents women and men from fulfilling their potential in the labour market, and consequently is one of the main drivers of the pay gap. Women tend to be concentrated in the lower paid jobs (e.g. caring, catering, cleaning, clerical, cashiering) and the lower grades within an organisation, while men tend to dominate the higher paying jobs, e.g. Engineering, Digital, Construction and/or at a higher level i.e. Senior Managers/Directors/Partners.

It also continues to negatively affect women in terms of income levels. Caring responsibilities can mean that women tend towards lower skilled, lower paid jobs, often temporary in nature. The Scottish Government is keen to support actions to address the negative impact of such outcomes, which often lead to in-work poverty. Since 2008, the number of temporary workers has increased by 2,000 to 110,000. It is accepted that temporary employment tends to be lower skilled and lower paid positions. 53.1% of temporary workers were women.

A break from the workplace due to caring commitments can have a detrimental affect on a womans career progression. It leaves a gap on their cv which leads employers to look to applicants that have up to date experience and qualifications. The aim of the Returners Fund will be to provide work placements for women in order for them to gain up to date experience at a level commensurate with the experience, skills and qualifications they had prior to the career break.

This is a positive acton programme that complies with the Equality Act 2010.

### Pregnancy and Maternity

Research conducted by EHRC showed that three in four mothers (77%) said they had a negative or possibly discriminatory experience during pregnancy, maternity leave, and/or on return from maternity leave. the motherhood penalty is frequently cited in research as one of the main causes of the gender pay gap. While the majority of employers reported that it was in

their interest to support pregnant women and those on maternity leave, there are some that feel that pregnancy put an unreasonable cost burden on the workplace. The Returners Fund provides support to women returning to the workplace following a period of maternity leave. Providing up to date work experience will enable women a smoother transition the workplace and an opportunity update their skills, knowledge and confidence. The programme also seeks to highlight the benefits of fair work practices including the adoption of flexible working practices that support all their employees.

### **Race, Religion and Belief**

In 2016/17 ethnic minority women had lower employment rates (45%) than white ethnic women (70.5%) whereas the employment rate for minority ethnic males (71.6%) was more similar to white ethnic males (77.1%). There are also differences in economic activity levels between people based on religious affiliation. For Muslim women they can be subject to the twin inequalities surrounding religion and gender ie around two-thirds of Muslim men (67%) are economically active compared with 35% of Muslim women. The aim of the Returners Fund will be to support more minority ethnic women to re-enter the workplace to progress their careers.

### **Recommendations and Conclusion**

The EQIA process has not altered the policy intention of improving the economic position of women in the workforce and by extension wider society but it has identified a potential negative affect on males who have also taken an extended break from the workplace due to caring or health commitments. Although evidence has shown that women are more likely to face barriers to returning to work than men the programme was adapted to allow males to be eligible for programmes. However, male participants must have same entry criteria as their female counterparts. i.e. time out of work due to caring commitment. Projects will also be eligible that support men to enter workplaces were they are under represented e.g. childcare.

Throughout the duration of the Returners Fund the EQIA will be used to inform decisions on funding, implementation, effectiveness and results including interaction with other employment support policy areas eg. Fair Work and the Scottish Business Pledge. The clear aim of the Fund is to address the career break penalty faced by women. The ultimate fund ambition is to support the implementation of inclusive economic growth and to encourage more employers to adopt fair recruitment practices to enable diverse and inclusive workforce and workplaces. It will also benefit current and prospective employees.

Successful applicants to the Fund will be asked to provide monitoring and evaluation information to allow Scottish Government to evaluate the effectiveness of the programme on women's access to employment.

This EQIA will be referred to during the evaluation, results analysis process and will be a consideration when developing future policies, strategies and workplace initiatives.