

PAPER 2

Gender Pay Gap Working Group

Wednesday 19 September 2018, 11:00-12:30

Minutes of the second meeting of the Gender Pay Gap Working Group, held at Standard Life Aberdeen, 6 St Andrew Square, Edinburgh EH2 2AH

Members Present

Jamie Hepburn, Minister for Business, Fair Work and Skills (Chair) (JH)
Helen Miller, EHRC (HM)
Anna Ritchie Allan, Close the Gap (ARA)
Emma Rich, Engender (ER)
Ima Jackson, Glasgow Caledonian University (IJ)
Francis Stuart, STUC (FS)
Emily Thomson, Glasgow Caledonian University (ET)

Host for meeting

Graeme McEwan, Standard Life Aberdeen (GM)

Scottish Government (SG) Officials

Hugh McAloon (HM)
Victoria Beattie (VB)
Eileen Flanagan (EF)
Liz Hawkins (LH)
Joseph Ritchie (JR)
Lorraine Lee (LL)
Andrew Boney (minutes) (AB)

Apologies

Patricia Findlay, University of Strathclyde

1 Welcome and Introductions

JH welcomed everyone to the meeting and thanked GM of Standard Life Aberdeen (SLA) for hosting. JH noted the apology and provided an overview of the agenda before inviting GM to give a short presentation.

The following points were made in GM' s presentation:

- SLA are a global company operating in 46 countries with over 6,500 people employed in the UK.
- Gender pay gap was identified as an issue and addressing this was a key priority of the Chief Executive and driven by the values that a mutual company has.
- Prior to the merger between Standard Life and Aberdeen Assets Management (AAM) in April 2017, the pay gap was a particular issue in the financial services and asset management areas. Male staff being paid 34% more than female staff at AAM; and 42% more at Standard Life.
- Pay gaps were driven by males dominating the highest pay quartiles with the gap being 3% in the favour of female staff at the lower quartiles.

- The company took forward a strategy to address why women were not in key senior roles focusing three actions; transparency and being open about issues female staff faced;
- Committed to inclusion; and promoting the value of closing the gap to city, analysts and shareholders.
- The company's targets were to have 33% representation of women on Board and Executive levels and 50% representation of UK and global workforce by 2020.
- Diversity integrated through each step of recruitment process and the introduction of an inclusive leadership toolkit.
- Develop senior female staff networks via the CEO's 'runway' programme which was reviewed on a bi-monthly basis at the governance committee. Developed mid-career development and returners programme, sponsored agile working, a diversity network and carers network.
- Acknowledge industry as a whole has a problem with gender pay gap but addressing this to align with their key values.

2 Minutes of last meeting

JH gave an update on the action points from the last meeting and confirmed that SG officials would investigate collective bargaining arrangements in childcare and how this works in other countries. The minutes of the meeting were approved.

3 Feedback on the Early Years Workshop

LL provided an overview of the discussions which took place at the Early Years themed workshop and the draft recommendations which were proposed.

Views and observations:

- FS referred to recommendation C and questioned whether it was feasible. Would need national pay bargaining. Shifting provision towards public sector would solve this.
- ER said more cohesiveness was needed in ELC landscape. Recommendation B helpful; the GIRFEC policy team concerned at increased expansion of childcare provision but UN wanted to see childcare provision increased.
- ARA supported delivery by public sector. There was also a need to expand the focus to also look at the retention of childcare staff especially in MA delivery.
- JH stated that in general MA retention is good.
- FS asked how action will link to the Fair Work Action Plan especially with regard to collective bargaining.
- HMCo confirmed that both action plans fit with the Labour Market Strategy and will be aligned.
- VB suggested that the Care Inspectorate and Zero Tolerance practice resource, referred to in the paper, could be discussed with the working group when it was available.

4 Feedback on the School Workshop

VB provided an overview of the discussions which took place at the School themed workshop and the draft recommendations which were proposed.

Views and observations:

- HM commented that there was a good balance of recommendations. Will put VB in touch with EHRC re the PSED review. HMRC has done some work but do need to look at the issues in schools.
- FS has not had chance to discuss with EIS colleagues. Commented that intersectional gender competence should include 'class'.
- ER said that the recommendations weren't bold enough. ELC landscape was fragmented. Lack of leadership given issue with subject choice, segregation will not change. Commitment to explore rather than do action.
- JH commented that there was a need to reflect on that but did not agree that the education policy landscape was fragmented given work on DYW. Can build in the learner journey review accentuating what is currently being done.
- HMc asked how much equality is taught in schools.
- ARA said Close the Gap found that the proportion of class time spent on equality was determined by teachers and decided at a local level.
- ER commented that gender mainstreaming in Developing the Young Workforce (DYW) and other employment programmes was essential.
- LH highlighted that a Violence against Women attitude survey would be undertaken in 2019 by Communities Analysis Division and could provide some information from view of young people.

5 Feedback on Voices Sessions

LL provided an overview of the discussions which took place at the **Union Voices** workshop.

Views and observations:

- HM said that she didn't feel so confident about the recommendations and how easily they could be implemented.
- LL confirmed that the recommendations didn't come out of the workshop but were proposed by Trade Unions and focused on equal pay.
- FS commented that Unions produced the recommendations to submit lessons that can be learned on the equal pay process.
- ER was not convinced but that the recommendations were worthy of future development.

LL also provided feedback from meetings with National Parents Forum of Scotland and Association of Directors of Education in Scotland who both supported the aims of the gender pay gap action plan and willing to become involved where possible.

VB summarised of the **Women in Enterprise Action Group** (WEAG) meeting at which she presented the work being taken forward by the working group. The WEAG were supportive of the approach taken and recognised the close alignment between the goals of both groups.

VB also updated on other SG voices sessions that had been attended including Women in Architecture; Women in Rail; and Women in Culture. Upcoming Voices Sessions included workshops on fair work and the gender pay gap in Business in the Parliament on 25/26 October; and a workshop on the pay gap at the National Economic Forum on 19 November.

6 Update on International Comparisons

LH gave an update on the international comparisons work.

There was also a need to take a more systematic approach and commission an options appraisal of the working group recommendations. There was a significant risk that SG would not receive any bids so an internal solution was being developed.

- ARA asked whether gender competency would be included in the international comparisons work.
- ER asked if the gaps in the recommendations from the draft paper could be looked into.
- LH said that both points could be done as an additional strand of the work.

LH also updated the group on two other pieces of analytical work being undertaken – WiSE won tender to conduct a pilot project on improving gender competence in the Economy portfolio by training up to 50 analysts to improve their gender competence. With rollout if successful. Two EQIA's also undertaken on the Scottish National Investment Bank (SNIB) and Flexible Workforce Development Fund (FWDF).

- and following the 2017 Economy, Jobs and Fair Work committee inquiry into the gender pay gap, to conduct case study research on the business case of closing pay gap. Method still being developed.

- JH commented that it will be interesting to see what comes out of the FWDF work and nature of employer led training.
- FS said that whilst the views of business were significant it was important that trade union views were also taken into account in this work.
- IJ asked whether there would be an intersectional approach.
- LH will consider but difficult to evidence other than qualitative.

7 AOB

HMc said that the post-school paper would be circulated to the group once it was finalised.

8. Date of next meeting

JH confirmed that the next meeting was planned for 22 November 2018 at Victoria Quay; however, an earlier meeting was proposed in for late October or early November. The group would be notified of the meeting date once it was confirmed.

9. Close of meeting

JH thanked the group for their participation. He then closed the meeting.

Meeting Action Points:

1	SG to look into equality in the school curriculum with Education Scotland
2	ARA to share with VB the findings of a Close the Gap survey on precarious work.
3	SG to circulate the finalised Post-School paper to the group.