

SUBMISSION FROM HIGHLANDS AND ISLANDS ENTERPRISE

Introduction

Highlands and Islands Enterprise (HIE) welcomes the opportunity to submit evidence to the inquiry on women and work, offering information relevant to establishing means of overcoming the difficulties experienced by women in relation to work.

Background

HIE is the Scottish Government's economic and community development agency for north and west Scotland, covering over half of Scotland's landmass (including almost 100 inhabited islands) but home to under 10% of the country's population, making it by far the most sparsely populated region in the UK.

Employment and self-employment rates in the Highlands and Islands are higher than the Scottish average however women's employment and self-employment rates are significantly lower than those of men. Women's employment rate in the Highlands and Islands (73%) is eight percentage points below the male employment rate (81%). It also varies considerably across the region from 76% in Lochaber, Skye and Wester Ross to 67% in the Outer Hebrides. The employment rate in Scotland is 67% for women and 75% for men, based on Annual Population Survey January to December 2011 data.

Self-employment rates in the Highlands and Islands are also significantly lower for women (10%) when compared to men (20%) but higher than the Scottish rate (7% for women and 16% for men). Since both employment and self-employment rates for women are lower than men this suggests women are more likely to be disengaged from the labour market.

Between December 2008 and December 2012 the number of women who were unemployed in the region rose from 1653 claimants (1.2%) to 2522 claimants (1.8%). The majority of public sector jobs in the regions are held by women; analysis of public sector employment in Highland in 2011 indicated that 69% of employees are female. Tight fiscal settlement has impacted on the investment and operational priorities of all public sector bodies and reduction in employment which results from this is likely, therefore, to impact primarily on women. Women are also more likely to rely on part time and casual work, with employers often reducing hours before full time posts.

Highlands and Islands Enterprise

HIE's vision is of the Highlands and Islands as a highly successful and competitive region in which increasing numbers of people choose to live, work, study and invest. In pursuit of this vision we structure our interventions around four priorities, namely:

- Supporting businesses and social enterprises to shape and realise their growth aspirations
- Strengthening communities and fragile areas
- Developing growth sectors, particularly distinctive regional opportunities
- Creating the conditions for a competitive and low carbon region

Action under each of these priorities helps provide employment and opportunities for people from all sections of society, with the aim of accelerating economic recovery and creating sustainable employment opportunities. We recognise the significant role which women play as an integral part of this recovery.

HIE also recognises its role as employer and we are committed to maintaining a culture which recognises and rewards individual achievement and merit, recognising the contribution which women make in delivering HIE's functions.

Women and work - finding solutions

Workforce issues

HIE provides advice, guidance and support to businesses wishing to take their product or service to new markets, particularly those looking to trade internationally. Inward investment projects provide higher paying full time job opportunities and develop associated local supply chain activity, helping to attract higher paying employment in sectors such as renewable energy, life sciences and IT.

A latent source of skilled labour can be accessed by employers who adopt a flexible approach to working hours and working patterns and the exploitation of technology also opens up new opportunities.

For example, HIE assisted Vertex in 2010 to explore the potential of home-working in the Financial and Business Services sector. The pilot identified home-working as a practical and cheaper delivery option for Vertex's contact centre function, increasing their competitive advantage. It also opened up high value, sustainable employment opportunities for people disengaged from the labour market as well as helping break down barriers to employment experienced by those with caring responsibilities (predominantly women), disability or childcare demands. HIE continues to promote the growth of home-working as a means of opening up high value opportunities, particularly in rural locations.

HIE is aware of the significance of the under-representation in employment of certain groups of people. HIE, as a listed body under the Equality Act 2010, is required to develop and publish by 30 April 2013 a set of equality outcomes. We are currently developing an outcome around under-representation of key groups in employment, primarily around young people, and including young

women. HIE will report progress on delivering the outcome in line with the provisions of the Public Sector Equality Duty.

As an employer HIE recognises the benefits of accommodating a range of working patterns, incorporating both flexible working and part time working in HIE's working hours. While open to all employees take-up indicates that female employees are much more likely than male employees to work non-standard hours.

Occupational segregation

Occupational segregation, the concentration of men and women in different types of work and at different grades, can prevent both men and women from achieving their full potential in employment. A key challenge in the Highlands and Islands will be to attract more women into relatively well paid engineering and other jobs that have traditionally been carried out predominantly by men in, for example, the emerging renewable energy sector.

HIE manages the STEM Ambassador Programme working with growth sector businesses to attract suitable role models, whose enthusiasm for their subject can help break down negative stereotypes associated with STEM (science, technology, engineering and maths) careers. The aim of STEM is to increase the number of people with qualifications in these subject areas who can contribute towards a sustainable economic future for the Highlands and Islands.

Ensuring a diverse STEM Ambassador population is an important aspect of the contract, ensuring a balance of female ambassadors (36% of 500 ambassadors in 2011 were women) and volunteers under age 35 (47%). The HIE STEM Ambassador Co-ordinator works with ambassadors and role models to raise awareness of diversity and promote the potential for women to engage in science careers.

As an employer HIE has undertaken equal pay reviews since 2003, including demographic analysis of HIE's workforce by grade. HIE has identified a pattern of occupational segregation illustrated by a greater proportion of female employees being employed in the lower and middle grades. This pattern has changed consistently over the years, with a greater proportion of women progressing to higher grades. There are currently more women than men at Leadership Team level and HIE continues to monitor the demographics of our workforce to identify and address any trends arising.

Childcare

HIE's role in strengthening communities includes investing in businesses that are important to small and fragile local economies, creating and sustaining employment opportunities. Working with social enterprises also helps find innovative ways to deliver services and create jobs in fragile communities.

People with caring responsibilities, predominantly women, often find it difficult to find suitable employment opportunities which enable them to balance work and family commitments. Constraints such as the cost and availability of childcare can limit their ability to boost household income levels, particularly in more rural areas.

Provision of affordable child and elder care (particularly in an ageing population) could help ensure that the Highlands and Islands are “community-ready”, able to benefit from and exploit digital opportunities, such as remote educational or healthcare services, offered by increased access to broadband. Social care provision frees up both men and women to take up employment and service opportunities. Considering childcare provision as part of community infrastructure, in the same way as transport, could help increase community resilience.

However, childcare provision must be affordable, available and accessible, particularly if it is to support resilient rural communities, where jobs tend to be low paid and part time and transport can be a significant barrier to employment. Key to this is also the availability of employment opportunities which utilise the untapped skills and experience of this latent workforce.

HIE is currently exploring the principles of establishing pilot initiatives which would pro-actively address the economic and social barriers to participation experienced by women.

As an employer HIE is mindful of the benefits of supporting parents with childcare responsibility, enabling them to balance work and family commitments. HIE offers a childcare voucher scheme and monitoring indicates that 84% of those accessing the scheme are women. This confirms that women are more likely to value and benefit from such a scheme, enabling them to remain in high value employment.

Women in business

A highly skilled workforce enables businesses to focus attention on growth and innovation. Evidence indicates that women are under-represented at senior levels in business across all growth sectors, including those where women make up the majority of the workforce. This was evidenced by research commissioned by HIE and Scottish Enterprise to map equality issues in growth sectors in Scotland¹.

HIE provides support to ensure businesses are able to recruit and develop the people needed to make their investments competitive and sustainable. For example the Graduate Placement Scheme helps young people find high quality jobs across the region, many in fragile rural areas. To date nearly 200 graduates and students have been supported by a mix of year-long placements and shorter summer placements. Analysis of a sample of 100 placements indicates that 58 of those appointed were women and 42 men.

¹ <http://www.hie.co.uk/regional-information/economic-reports-and-research/archive/equality-and-diversity.html>

Nigg Skills Academy is training a new generation of skilled workers (including 290 Modern Apprentices in its first year and an aim to train 3,000 people by 2015) to take up jobs in the growing renewable energy sector, with the aim of providing sustainable employment opportunities across all skills levels. This presents an opportunity to recruit more young people, women and ethnic minorities into the oil and gas and renewable energy sectors where these groups are currently under-represented. In particular this offers the scope to attract well-qualified young women into the renewable energy sector.

HIE also targets support to develop leadership, encourage innovation and foster a culture of entrepreneurialism (all essential components of a prosperous regional economy) at businesses and social enterprises with growth potential. This type of support helps employers to realise their full potential, maximising the skills of employees and increasing the income levels earned.

HIE works in partnership with business support organisations and academic institutions including the University of the Highlands and Islands (UHI) and the Massachusetts Institute of Technology (MIT) Sloan School of Management's Entrepreneurship Center. This gives businesses access to programmes, schemes, workshops, courses and events to stimulate and develop entrepreneurship and business development.

Monitoring of participants in HIE's leadership and entrepreneurial programmes indicates that women are under-represented on these initiatives, with women representing around a quarter of participants. In response to this challenge HIE is developing an equality outcome around leadership and gender. HIE will report progress on delivering the outcome in line with the provisions of the Public Sector Equality Duty.

As an employer HIE has delivered a leadership programme (Achieve) in recent years, with 90 of HIE's current employees having attended. Of these 57% are women.

Managing unequal pay in local authorities

HIE has carried out equal pay audits since 2003, following guidance issued by the Equal Opportunities Commission and, more recently, the Close the Gap project and the Equality and Human Rights Commission. Gender pay gaps can be attributed to unfair application to men and women of pay and grading structures or patterns of occupational segregation whereby men or women are disproportionately represented at certain grades.

Analysis of HIE's pay data indicates that there is a gender pay gap. HIE's pay and grading structure is applied fairly and consistently to men and women across HIE and is not a factor in the pay gap. The pay gap can be attributed to a pattern of occupational segregation with women making up a greater proportion of HIE employees on lower to middle grades. HIE's gender pay gap has reduced year on year, indicating that measures to address

occupational segregation are taking effect, which is also evidenced by increasing numbers of women at senior grades.

Cross-cutting issues

A recurring theme when considering women and work is the variation in women's experiences across the region. For example patterns of employment and unemployment vary by geographical location, reflecting local economic circumstances.

The availability and cost of childcare provision is an important determinant of women's participation in employment. Provision can depend on demand and vary over time. This reinforces the circular argument of supply and demand. If there are no jobs available locally which provide a wage sufficient to meet and exceed childcare costs there will be no demand for childcare. If childcare provision is not available many women will not be able to consider employment.

Providing employment opportunities, higher wage rates and career progression are key factors in attracting and retaining young people, who would otherwise not form part of the workforce of the Highlands and Islands. This was demonstrated by research commissioned by HIE in 2009², exploring a "population gap" of 18,580 young people aged 15-30, 59% of them young women, in our population. Providing suitable employment opportunities will help stem such out-migration.

Finding and implementing solutions will depend on partnership working across a range of agencies. HIE will continue to work with partners such as Skills Development Scotland and Close the Gap to ensure that the skills of the region's workforce remain aligned to meet the future demands of the growth sectors, regional businesses and inward investors and that traditional stereotypes which often determine the opportunities open to women, and restrict earning potential, are diminished.

Conclusion

Supporting businesses to create high value jobs across the region increases the availability of employment opportunities. However addressing the specific barriers faced by women in accessing and sustaining employment requires a focussed approach.

Building robust evidence of the business and economic benefits of women's contribution to the workforce and to economic growth is an essential component to gain the commitment of the business community. Demonstrating the value of non-traditional approaches to employment, such as creativity in working patterns and breaking down occupational stereotypes, will help widen the recruitment pool and encourage workforce diversity which contributes to innovation.

² <http://www.hie.co.uk/regional-information/economic-reports-and-research/archive/youth-migration.html>

The provision of modern digital connectivity will be an essential part of the region's infrastructure to enable people of all ages to access services they need and open up wider employment opportunities. Investment in digital infrastructure will transform the way in which firms do business, opening up new markets and encouraging the development of innovative new products. Small, local suppliers will be able to trade and compete on a global platform. Considering childcare provision as an integral part of infrastructure development will enable women to take up employment opportunities which result from this development. In fact, releasing the latent talent in our communities will be an important part of maximising the potential of digital connectivity as it develops.

HIE also welcomes the focus of the public sector equality duties, including the development of specific equality outcomes, which will help the public sector focus on a range of initiatives which will, taken together, bring about changes in the lived experiences of women in relation to work.

Maria Reid
Strategic Engagement Manager
Highlands and Island Enterprise
8 February 2013