

## Gender and the geography of low pay

By Graham Whitham

With around two thirds of children and working age adults in poverty in the UK living in working households it is vital that the quality of work available to everyone improves. The UK has a high proportion of jobs that are low-paid and recent trends have been towards greater insecurity of income through the growth in zero-hours contracts and self-employment. Economic policy needs to shift so that there are both better paying jobs available and so that remuneration levels for jobs that have traditionally been low-paid and perceived as low-skilled are improved.

On the latter issue, it has traditionally been women who have borne the brunt of poor terms and conditions and low-pay in sectors that we have tended to undervalue in the UK, such as retail and care. Improving pay and terms and conditions in these sectors would go a long way to improving the economic position of women but also addressing poverty.

Women's and children's poverty is inextricably linked and in low-income families, it is often women who act as 'managers' of family finances, shielding their children from the worst effects of poverty<sup>1</sup>. Just as the increase in female employment from the late 1960s and in the years leading up to the financial crash in 2008 helped boost living standards, future improvements in the position of women in the jobs market, particularly towards the bottom of the labour market, will have a significant effect on future living standards in the UK<sup>2</sup>. Addressing gender inequalities at work would also reap wide economic benefits. The gender pay gap has a significant impact on the UK economy, contributing to the loss of between £15 and £23 billion of GDP every year<sup>3</sup>.

The position of women and the extent to which they are disadvantaged in the labour market varies across the UK. New analysis presented in table 1 shows the proportion of male employees that are low-paid in each region, and the additional proportion of women that are low-paid over and above the male rate. A higher proportion of women are low-paid than men in all regions.

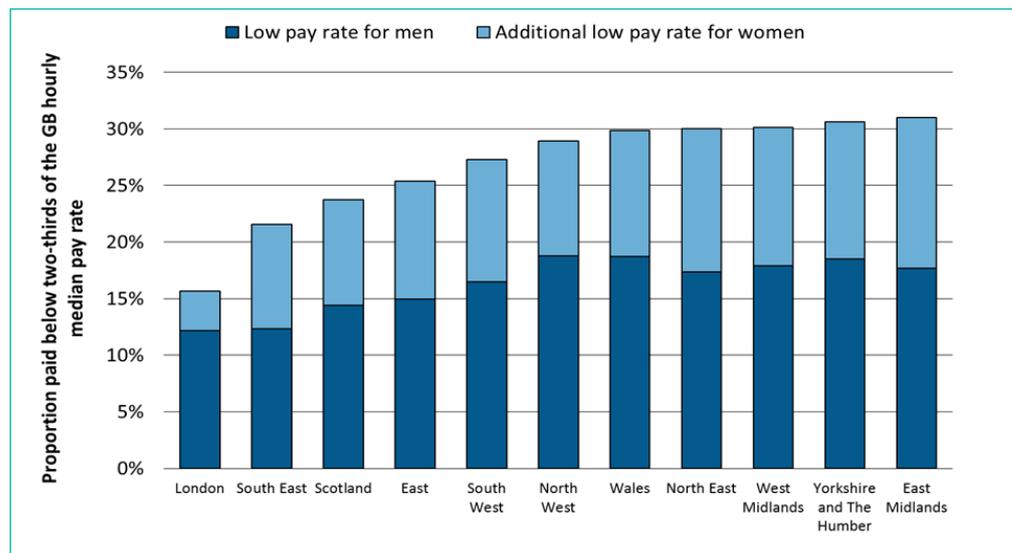
There are two dimensions to this graph. The first is the overall low-pay rate for women. In London, with its higher than average levels of pay, around 15% of women are low-paid. In Wales, the North East, the East and West Midlands, and Yorkshire and the Humber, the figure is double with 30% of female employees counted as low-paid.

The other dimension is the size of the gap between the male low-pay rate and the female low-pay rate. London also performs best on this dimension: the female low-pay rate is around four percentage points higher than the male low-pay rate. The next best performing regions for this are the South East and Scotland, both with female low-pay rates that are nine percentage points higher. The East Midlands and the North East have the biggest gap between men and women, with female low-pay rates 13 percentage points higher than the male rates.

Table 1:

The geography of low pay

Source: Annual Survey of Hours and Earnings via NOMIS, ONS.



<sup>1</sup> Lister, Ruth. "Women's and Children's Poverty: Making the links." (2005).

<sup>2</sup> Plunkett, J. "The Missing Million: The potential for female employment to raise living standards in low to middle income Britain." London: Resolution Foundation (2011).

<sup>3</sup> Fawcett Society Response to the Business, Innovation and Skills Committee Inquiry into Women in the Workplace

## Gender and the geography of low pay continued

With the mayoral election fast approaching, increasing focus is being given to how devolved powers can be utilised to address poverty across Greater Manchester. Supporting the labour market to deliver better quality, better paid and more secure employment will be central to this and analysis of the labour market suggests Greater Manchester would benefit from a strong focus on improving the position of women in the labour market.

Table two shows data for those regions that will have 'metro mayors' from 2017. This shows that whilst Greater Manchester has a smaller proportion of women in low-paying jobs it has the highest number (alongside the West Midlands) of low-paid women (140,000). What is striking is that the picture does not vary that greatly between regions, despite Greater Manchester's economy performing well against comparable areas on certain metrics. Employment rates for women aged 16-64 are quite similar across these areas at 64% to 66%. The exception is the West Midlands, which has a much lower female employment rate of 58%.

Table 2: Summary statistics for women in metropolitan regions

Area	Low pay rate (number of women)	Male low pay rate (number of men)	Female employment rate (male employment rate)	Part-time share of employment
Liverpool City Region	30% (90,000)	18% (50,000)	64% (72%)	38%
Greater Manchester	25% (140,000)	18% (90,000)	65% (75%)	39%
North East Combined Authority	29% (110,000)	17% (60,000)	66% (74%)	42%
Sheffield City Region	31% (80,000)	18% (40,000)	66% (76%)	44%
Tees Valley	30% (40,000)	17% (20,000)	65% (72%)	44%
West Midlands Combined Authority	28% (140,000)	17% (90,000)	58% (71%)	40%

Source: Annual Survey of Hours and Earnings, Annual Population Survey via NOMIS, ONS.

The growth of in-work poverty nationally has underlined the need for policy to ensure that people do not just 'move into work' but that the economy needs to provide people with good quality jobs that are suitable, sustainable and offer people a chance to progress. In Greater Manchester, delivering 'decent work' to all should form a central part of efforts to boost living standards and tackle poverty. The new analysis presented in this paper suggests focus needs to be given to support more women to move away from low-paid work and this is no less true for Greater Manchester.

Analysis provided by Adam Tinson and Hannah Aldridge of New Policy Institute

[Analysis and exploration of trends in female employment at a UK level](#)



Graham Whitham

## Community Voices: I, Daniel Blake

This week we are moving over to make room for the master.

Ken Loach's Palme d'Or-winning film *I, Daniel Blake*, depicts the cruelty of the benefit system through the eyes of an older man who's been found fit for work.

In Ashton under Lyne, Greater Manchester, [The Guardian](#) look into the lives of the real Daniel Blakes and those, who like Charlotte Hughes, have begun to fight back.





## Forthcoming Events:

### Exploring the links between unpaid care and income poverty in the UK

Thursday November 10, 2016 1- 2pm at the University of Salford M6 6PU

Around 4.1 million working-age people provide unpaid care to a family member, friend or neighbour with a disability or long-term health condition. This seminar explores how the amount of care differs with household income and what this suggests about the choices available to families. It will provide an opportunity to discuss how the support for unpaid care workers might be improved.

Speaker: Ceri Hughes, IGAU, University of Manchester [More info & Book](#)

### Universal Credit: Conditionality & Sanctions

Thursday November 17, 2016 12noon - 4.30pm at Garden Court North Chambers, 3rd Floor, Blackfriars House, Parsonage, Manchester, M3 2JA

Rapidly increasing numbers of people are having to claim universal credit, with just over 300,000 awards as of July 2016, and the roll out is set to gather pace over the coming months. This half-day seminar will provide an opportunity for claimant advisers to consider the conditionality regime in outline and understand the key differences from the old JSA/ESA/IS regimes. Focus on the particular way the rules will work for parents with young children, carer's and those with health problems and think about ways of ensuring the rules are applied in the most beneficial way and remedies for when things go wrong. Full training materials and lunch are provided [More information and booking](#)



### COOKBank 2 Day Train the Trainer Course

On November 21 and 22, 2016 at MERCi, Ancoats, Bridge 5 Mill, 22a Beswick Street Ancoats, Manchester, M4 7HR

Designed for anyone who is interested in developing a good food culture in the community and needs structure and support for getting more people engaged to cook affordable nutritious food communally, socially and safely. The cost of attending the course is £200 per person but that includes lunch on both days, refreshments, all written materials, equipment (aprons provided) and the ingredients to cook. [More information and book](#)

### The Wizard of Manchester

The Booth Centre invites you to attend their Christmas pantomime performance on 8th and 9th December 2016.



Come along and support our performers who've been working hard to devise this festive treat for you. Two performances at the Booth Centre on December 8th at 2.30pm and 6.30pm, each lasting for approximately one hour, please join us for refreshments beforehand. Plus another performance at The Edge Theatre & Arts Centre, in Chorlton on Friday 9th December. Click [here](#) for more details. Tickets can be purchased for the shows at the Booth Centre [here](#)

## Why GM Poverty Action?

In the Recommendations Report of the Greater Manchester Poverty Commission, 2.4 *Maintaining Momentum on Poverty* called for the formation of a Poverty Action Group to help take forward the work of the Commission.

A small number of public, private and civic sector individuals came together to form GMPA. This group has since grown to over 700 individuals from more than 200 organisations plus Local Authorities and MPs and an increasing number of members of the public.

GMPA is based upon principles of cooperation between organisations.

## For more information about Greater Manchester Poverty Action

please visit our [website](#), follow us on [Twitter](#) or visit our [Facebook](#) page. You can also visit our YouTube channel [Community Voices](#)

All these platforms are there to share news and opinion from our readers, from GM Poverty Action and from the community.

We want to celebrate our successes, find new ways of working together and provide a voice for the people living in poverty in our region. But we can only do this with your help and support.

For more information or to share your news please contact [Chris](#) or [Peter](#).

Copies of previous newsletters are available on our [website](#)

If you would like to contact us or submit an article for inclusion in a newsletter please get in touch in one of the following ways:

Post: c/o 5th Floor Church House, 90 Deansgate, Manchester M3 2GH

Or contact our Communications Manager: Chris Bagley  
T: 07419 774537 [Email](#)  
and we will reply as soon as possible.

**NB** GMPA does not have full-time dedicated administrative support so please do not expect an immediate response.

