

QUESTIONS

- 1 Explain the factors that influence the differential labour market participation rates of women and men and ethnic minorities and whites.
- 2 How has the structure of demand for labour changed since the 1980s?
- 3 Why have levels of job satisfaction declined since the early 1990s?
- 4 Who have been the main beneficiaries of changes in the labour market since the 1980s and who have been the main losers?

CASE STUDY

Stuck on the 'mummy track' – why having a baby means lower pay and prospects

From the moment they give birth, women get stuck on a 'mummy track' of low pay and low prospects as their wages fall and never fully recover – even when their children have left home, a new study has found.

Far from being a liberating release, the point when their children start school marks another sudden slump in the average growth of women's pay compared with male wages, according to the report by the Institute for Fiscal Studies.

Before they have children, the average hourly wage for female workers is 91 per cent of the male average but declines to 67 per cent for working mothers juggling jobs and childcare.

Their wages relative to men then stagnate for 10 years before showing a modest recovery, reports the study, *Newborns and New Schools*. But even when children have left home, the average hourly wage for their mothers remained at 72 per cent of the male average.

Rather than facilitate a large-scale return to the workforce for women, the moment their children enter full-time school accelerates relative wage decline. The average wage growth over two years for women before having children was 11 per cent, but fell to 8 per cent for women with newborn children. While it recovered to 9 per cent for those with pre-school children, it fell again to less than 5 per cent when their children entered school. The aggregate proportion of mothers in work before their children began school compared with afterwards only rose slightly from 53 per cent in June to 57 per cent when term began in September.

'There is a huge assumption that suddenly because the child is at school the mother can return to work,' said Gillian Paull, a co-author of the study for the Department for Work and Pensions. 'But school

hours are far too short to cover most jobs and school brings with it a new set of responsibilities in terms of children needing input from parents and parents being involved in school life. Finding childcare that fits around school hours and the holidays is difficult unless you pay for expensive full-time care.'

Only a small part of this gender wage gap is because mothers choose to work part time. For full-time workers, the gender wage ratio suffered a similar slump between childless women and working mothers, with a decline from women commanding 94 per cent of male wages before children to just 74 per cent for those with children and 79 per cent for the group after children.

When researchers took account of other factors which might determine the gender wage gap such as gender differences in demographic background, educational attainment and work characteristics and conditions they still found 'a substantial "unexplained" gender wage gap' of 11 per cent for those before children, 30 per cent for those living with children and 23 per cent for those whose children have grown up or left home.

'The million-dollar question is: "Are the wage levels different because working mothers are treated differently or is it that they choose a different way to behave in the labour market?"' Dr Paull said.

Working mothers could be suffering a wide pay gap because of pure discrimination. Or, controversially, some employers claim they do not pay as much because working mothers are not as productive as men. Thirdly, Dr Paull said, it could be that women were choosing jobs that fit in with the demands of motherhood, finding work that was less physically demanding, for instance, so they could devote more energy to their families.

Case study continued

'Too many women get stuck on a "mummy track" of low pay and low prospects. The pay gap for women working part-time, at nearly 40 per cent, has barely improved since the Sex Discrimination Act was introduced 30 years ago,' said Caroline Slocock, the chief executive of the Equal Opportunities Commission.

'Many women choose to work part-time, but they don't choose low pay. Four in five part-time workers – 5.6 million people, most of whom are women – are working in jobs which do not use their potential, because flexible and part-time work is too often low-status and underpaid. This is a colossal waste of talent for employers and the economy as well as individuals.'

The IFS study is published days before the Women and Work Commission reports to Tony Blair after spending 18 months looking at the problem of the gender pay gap. The prime minister is expected to help launch the report next month, which is expected to outline radical proposals to help women return to well-paid work.

Children represent a 'major part' of the gender pay gap, according to Margaret Prosser, who chairs the Women and Work Commission. 'Once women have children, their job choices are hugely constrained, either because they have to choose local work which provides fewer options or choose part-time employment, where there are few jobs at a professional or senior level.'

Lady Prosser said she was not surprised that figures showed women's pay stagnating even years after they have raised young children.

'The majority of women who have children want to spend some time with those children. What they would like is work that is sufficiently flexible but what they do not want is work that is always at the bottom of the ladder.

'There is no silver bullet answer to this. There has to be a whole range of policy proposals around edu-

cational choices, encouragement for girls and more widely available childcare facilities.'

Source: Patrick Barkham, 20 January 2006, *The Guardian*

Questions

- 1 To what extent do you believe that women get stuck on the 'mummy track' because they *choose* to prioritise responsibilities to their children over and above paid work?
- 2 Are New Labour's promises to improve access to affordable childcare and plans to introduce school 'wrap around time' (the provision of breakfast clubs and after school activities to extend the school day) the 'green light' needed for working mothers to be able to compete on equal terms with men in the workplace?
- 3 Whilst organisations might not deliberately set out to discriminate against working mothers, consider ways in which norms and expectations in the contemporary workplace may make it difficult for working mothers to gain promotion and hence access to better paid positions. What steps could organisations take to help more women off the 'mummy track'?

Activity

You have been invited to a campus debate to discuss the proposition outlined below:

Given employers' demand for low skill workers to fill low-paid jobs in the service sector, the existence of receptive pockets of labour (for example, working mothers, students, migrant workers) prepared to accept these jobs is beneficial for organisations and the economy at large.

Using the article 'Stuck on the Mummy track' as a starting point, consider positions both *in support of* and *against* the above statement. You should be able to draw upon several segments of this chapter to inform your arguments.

References and further reading

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