

International Women's Day 2024

Presentation given by Sarah Watson, Programme Manager for Hackney Giving

I'd like to wish you all a thought-provoking and productive, as well as happy, International Women's Day.

The theme for International Women's Day 2024 is Inspire Inclusion, and I'm going to talk about inclusion in the workplace. Specifically: financial inclusion.

Did you know that in 1970, legislation was passed which prohibited any less favourable treatment between men and women with regard to their pay and conditions of employment? Maybe this seems like a long time ago now, but it's within a lifetime. And just think of it the other way around: only 55 years ago, it was allowable to pay a woman less than a man, just because she was a woman. (Notably, it was five years AFTER that, that legislation was passed to prevent employers from having "a marriage bar" meaning that women didn't have to leave their jobs just because they got married. 1975!)

Equal pay legislation was a step forward, of course. And I bet the legislators thought they'd sorted the issue of wage disparity. Well done them!

And yet. 54 years later, the average salary taken home by men is still higher than the average salary taken home by women.

A government briefing paper published on 8th January 2024ⁱⁱ, says that in 2022/23, 79% of reporting employers stated that median hourly pay was higher for men than for women in their organisation.

The Office for National Statistics states that, in 2023, the difference for full time employees is 7.7%. The situation for part-time workers looks different. Here: part time male workers earn 3.3% less than part time female workers – however, because there are more women in part time roles than men, the overall gap for all workers is 14.3% in favour of men. Equal pay for equal work may be enshrined in law, but the gaps still remain.

The good news is that the gender pay gap has been declining over time, albeit slowly. In 1997, it was 17.4% for full-time workers, and 27.5% for all workers. So to have narrowed to 14.8% shows the overall picture is improving.

Now, being at Hackney CVS, you would expect nothing less than a look at the voluntary and community sector. Third Sector magazine published an article in 2022 citing research that showed charity staff are paid 7 per cent less than other sectorsⁱⁱⁱ. Elsewhere, NCVO states that the voluntary and community sector's staff is 67% female^{iv}. Whilst correlation is not causation, there must be a statistical link between a sector staffed predominantly by women being paid less than other sectors, and the overall wage disparity.

In the book *Who Cooked Adam Smith's Dinner*, Katrine Marçal points out that Adam Smith, the person in the 18th century who wrote the theories upon which economics have been based for three centuries, didn't consider the value of women's work at all.

Marçal writes that Adam Smith reasoned that the butcher and the baker act in self-interest in selling their goods. A fair exchange took place: money changed hands in one direction and the products changed hands the other way. She also writes that “for the butcher, the baker and the brewer to be able go to work, their wives, mothers or sisters had to spend hour after hour, day after day, minding the children, cleaning the house, cooking the food...”. She explains that Adam Smith didn’t only get his dinner because the tradesmen served their own self-interests through trade. Adam Smith lived with his mother. And Adam Smith got his dinner, says Marçal, because she made sure it was on the table every evening.

These women’s work, unfunded and unnoticed, was fundamental to allowing other activities to happen. Activities that were deemed to be productive: be it selling bread, or writing economic theories. Without their needs being met, the people undertaking these activities would not have been able to do so.

So, back to the voluntary and community sector. I see a parallel between the ignored women, whose work carried on under the radar but which was pivotal in making things function, and who were not motivated by self-interest, and the voluntary and community sector today.

We should not be ignoring the voluntary sector. We shouldn’t be ignoring the role it plays in keeping society functioning, nor should we ignore its economic needs. And we should recognise that not everything has to be “countable” in order to be valuable.

At Hackney Giving, we’ve had to point out to funders that we can’t manage their grants programmes for free. We’ve also had to explain why it’s necessary to pay towards grant-holders’ office costs. “But they’ve already got an office!” said someone. Yes, they have. But it isn’t free of charge. They’ve got rent and bills just like everyone else and the money to pay for it has to come from somewhere.

As champions of the not-for-profit sector, we’ve also had occasion to make the case that staff costs are direct project costs. That not-for-profit groups ought to be able – allowed, in effect – to pay their staff. But we’ve looked inwards and we have to admit: when funding is so scarce and you’re looking at two applications, picking the one where more funding seems to get to the end user can be what clinches it. We need to continue to make the case not only for funding to pay staff, but also to pay them fairly.

Fair funding for the voluntary and community sector is essential to allow organisations to do their work. Fair funding would allow them to pay for those office costs as well as the delivery that is so vital for our society. And crucially, to pay a decent, fair wage for the staff who are acting not in their own self-interest, just like Adam Smith’s mother when cooking his dinner. And two thirds of those staff are women.

So on this International Women’s Day, we’ve had the opportunity to come together, to take the time to think about some issues and highlight struggles and disparities. Only by recognising wage disparities, can we do something about it. For all of us advocating for the voluntary and community sector at every opportunity, please keep wage disparity in mind in your work for a fairer society. And to the decision makers in the room, I urge you to consider the impact of wage disparity when making your choices about services and about funding.

Thank you.

ⁱ <https://www.legislation.gov.uk/ukpga/1970/41/enacted>

ⁱⁱ <https://commonslibrary.parliament.uk/research-briefings/sn07068/#:~:text=In%202022%2F23%2C%2079%25,for%20women%20as%20for%20men.>

ⁱⁱⁱ <https://www.thirdsector.co.uk/charity-staff-paid-7-per-cent-less-sectors-research-finds/management/article/1796360>

^{iv} <https://www.ncvo.org.uk/news-and-insights/news-index/uk-civil-society-almanac-2023/workforce/who-works-in-the-voluntary-sector/>