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Dear Gordon

### **Draft budget scrutiny 2018-19: Gender Pay Gap and Women in Enterprise**

Thank you for your letter of 19 October where you seek further information on Scottish Government spend allocated to the Women in Enterprise Framework and on tackling the gender pay gap.

#### **Women in Enterprise Framework**

The Women in Enterprise Action Framework, launched on 04 March 2014 by Mr Swinney and Ms Constance, was refreshed on 31 August 2017 to reflect the emerging post Enterprise and Skills Review support landscape. It was clearly signalled as being co-owned across the whole enterprise ecosystem and as the start of a journey, not a definitive solution.

For this financial year, we have doubled our support for women in enterprise, committing up to £400k for 2017/18. The funds are disbursed as follows:

- £60K to expand the Women's Enterprise Scotland (WES) Ambassadors project. A further ten Ambassadors (focusing on STEM industries) will be recruited and trained and will ensure attendance at over 60 events.
- £60k to the Business Women Scotland's (BWS) #BWSLiveEvents programme, which informs women about the support landscape for female entrepreneurs and encourages networking and confidence to growth.
- £60K to the Principally Women Programme, delivered by Scottish Enterprise, which is targeted at businesses with scaling potential and will encourage inclusive growth through the skills development of female company leaders.
- £50k to fund the Ingenious and Enterprising Women in Scotland programme which will support female early career researchers, in industry as well as academia, from across Scotland to develop the entrepreneurial skills and capabilities to realise the full potential of their ideas and make a positive difference to Scotland's economy, culture and health and wellbeing.

- £120k to Investing Women (IW) a Scottish enterprise established for two purposes; to increase the investment-readiness of women-led businesses and to educate and encourage successful businesswomen towards investing.

Central to the effectiveness of the Framework, we have established an Action Group, chaired by the Minister for Employability and Training to support the delivery of the strategy. Our intention is that the group will act as a sounding board and will contribute advice, expertise and experience and provide constructive challenge to the continuing development of the Framework. The group will meet three times per year, the first of which took place on Tuesday 28 November.

## **Gender Pay Gap**

Addressing the gender pay gap is an integral part of this governments Inclusive Growth agenda and impacts across various policy areas that tackle the underlying factors that contribute to gender inequality. Taking steps to secure gender equality is a moral obligation as well as making economic sense. As the committee recognised, there are many drivers of the gender pay gap and we are engaging with a range of stakeholders and taking action across government to tackle these.

We are keen to continue to work with stakeholders to ensure that they inform and challenge our strategic approach. Some of the groups that we look to add to our strategic thinking include:

**Advisory Council on Women and Girls.** The council has been created to advise the Scottish Government on how it can tackle gender inequality. It will be chaired by Louise Macdonald, Chief Executive of Young Scot. This new group has been established to offer a strong and challenging voice, helping us continue to progress on the representation of women and girls. The gender pay gap is one of the issues that this group will advise on.

**The Working Group on Pregnancy and Maternity Discrimination** was established as part of a range of commitments in response to research published by the EHRC in July 2015 that demonstrated around one in nine mothers reported being either dismissed, made compulsorily redundant, or were treated so poorly they felt they had to leave their job. This could equate to as many as 54,000 mothers across the UK a year. The aim of the group, which is chaired by the Minister for Employability and Training, is to work collaboratively to improve pregnancy and maternity related employment practices and to share existing good practice and communication. Addressing pregnancy and maternity discrimination will help to narrow the gender pay gap and improve the economic position of women in Scotland and reaffirms the Government's commitment to helping women achieve their potential in the workplace.

Other groups that add considerable expertise to our efforts include; Women in Agriculture, Women and Girls in Sport Advisory Board, Best Start Grant Reference Group, Poverty and Inequality Commission, SG Equally Safe Work streams, Taskforce to promote gender equality in the music industry.

Many of the initiatives that contribute to our efforts to close the gender pay gap are mainstreamed and embedded across a range of policy areas. It is not therefore possible to allocate a monetary value to each action.

However, I am keen to provide the Committee with a summary of progress against the specific actions set out in the Equality Statement: Scottish Draft Budget 2017-18.

## **2017/18 Scottish Budget Equality statement**

**Living wage in care sector.** In 2017/18, we took action to support the continued delivery of the Living Wage and sustainability within the sector. This enabled the rate of £8.45 per hour to be paid, from at least the 1st of May 2017, to adult social care workers in Scotland, giving up to 40,000 people, mainly women, in Scotland a well-deserved pay rise.

In October 2017, it was announced that this commitment will be extended to sleepover hours during 2018/19. £10 million was allocated in the 2017/18 budget to support this commitment. Further discussion on funding to support implementation of the commitment on a full year basis will continue as part of the 2018/19 Spending Review process.

**Sporting Equality Fund.** The Minister for Public Health and Sport awarded just over £300,000 from the Sporting Equality Fund to 14 projects on 6 October 2017. The Sporting Equality Fund will support these projects to target women and girls who want to become more active through sport. The Scottish Government is working in partnership with Spirit 2012 to deliver this project. The Fund has offered grants of between £10,000 to £25,000 to community-based organisations.

**More Homes Scotland.** The Scottish Government's More Homes Scotland approach will deliver 35,000 affordable homes in the social rented sector, which is a particularly important tenure for lone parents, the large majority of whom are women. The Scottish Government is investing over £3 billion to deliver at least 50,000 affordable homes over the lifetime of this Parliament. 35,000 of these homes will be for social rent - a 75% increase on our previous social rented target. More than £590 million is available this year to fund this ambition. From that all 32 councils have received a share of £422 million to deliver more affordable homes in their communities. In addition, all councils have also received long term resource planning assumptions totalling £1.754 billion to March 2021.

**Intermediary bodies.** The Equality Budget also supports intermediary bodies which help us work towards gender equality – Engender, Rape Crisis Scotland, Scottish Women's Aid and the Scottish Women's Convention. Please see the list of organisations funded to tackle gender inequality <https://beta.gov.scot/publications/equality-national-intermediary-bodies-funding-2017-2020/>

Funding under the **Equality Budget** has been confirmed for 2017-18, and indicative amounts for 2018-20 have been provided. The Scottish Government has listened to the concerns about short term funding that have been expressed by organisations across the third sector who are supporting women and girls affected by gender based violence. We are recognising these concerns by offering longer term funding arrangements for the third sector. See <https://beta.gov.scot/publications/equality-funding-pecf-2017-2020/>

## **Mainstreaming – Strategies and Frameworks**

We are taking action so that young people make informed choices and we are tackling gender equality issues in the workplace.





**Workplace Equality Fund.** We have announced funding of £500,000 to address long standing barriers in accessing the labour market. The aim of the Workplace Equality Fund will be to reduce employment inequalities so that everyone – irrespective of gender, race or disability – has the opportunity to fulfil their potential, and improve Scotland’s economic performance as a result. The Fund will support delivery of the SG’s Programme for Government; Race Equality Framework; Disability Action Plan; and Scotland’s Labour Market Strategy.

**Scottish Government Returners Fund.** We have delivered on our commitment for a Returner’s Programme to assist women to re-enter the workforce following a career break. In the first stage of this work in October 2016 Scottish Government awarded nearly £50,000 to Equate Scotland to provide 40 women with support to re-enter the STEM labour market by offering one to one guidance, career clinics and access to webinars and three month placements. In August 2017 the Minister for Employability and Training approved a further six projects with a total value above £185,000.

These projects will address the under-representation of women in the finance, security and manufacturing sectors; increase business start-up rates for women and men in child-minding which will help to change the perception of caring as a ‘women’s role’ and improve the number of women in senior positions. One project specifically supports black and minority ethnic women back into the workplace. <http://www.employabilityinscotland.com/key-clients/women-and-work/women-returners/>

**Gender equality index.** The Scottish Government will seek to improve Scotland’s evidence base on gender by working closely with its external partners to build on the findings of the recently published ‘Gender Index Working Paper’. Our equality analysts will set up a working group to explore the development of domains and statistical indicators designed to show progress over time in key areas of policy. The output will be aimed at a wide audience to aid policy making, and highlight and tackle gender inequality in Scotland.

[Gender Index Working Paper](#)

I hope that this information provides a sense of the variety and scope of work we are taking across the Government to address gender inequalities and reduce the gender pay gap.

Regarding future budget commitments the government’s draft budget statement will be published on 14<sup>th</sup> December which will include the equality budget statement for 2018/19.



**KEITH BROWN**