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BE— CENT— SIBLE

We've all heard the famous expression, 'another day, another dollar', but what about 'another day, another 79 cent'?

In recent years this has been the statistic that has left corporations and businesses puzzled; **that women globally on average earn 79c to every US dollar their male counterparts earn. This equates to an average of half a million dollars over a 40 year career.** While in Ireland the story is slightly more favourable, at around 86c it's still not good – and certainly not a comforting figure.

Over the past few months, new research has been published, looking at triggers for the gender pay-gap. According to research carried out by the IFS the gap widens after a woman becomes a mother, and fails to ever reach the lofty heights of their male counterpart. Further reports find women to be less likely to negotiate for pay increases for various reasons, and others find legislation is failing to ensure fair standards for women and minorities.

While it's easy to be discouraged by these reports, progress is being made with businesses globally making equal pay a priority. Encouragingly this appears to have worked, as the gap has declined in recent years even if not at the pace we would like.

But this in itself presents a further puzzle. What is causing the gap to decline; are women and minorities responding purely to change in legislation, or are we becoming more confident and aware when it comes to finances, and reaping greater rewards? There are a number of explanations as to why the gender pay gap has declined over the past few decades, both directly and indirectly. One key factor is eliminating perceptions of "male-dominated industries".

If we look at the younger generation we see increasing numbers of girls and young women studying STEM subjects in school and college; bucking the trend that the more technical industries are a boys' club. Firms are taking steps to facilitate these changes, with over 50% of **PwC International Ltd's (PwC)** annual graduate intake female, equating to over 13,000 women entering their firm each year to begin their career. Firms like PwC work on fixed base salaries for graduates meaning men and women are entering the workforce on a level playing field and developing the same skills to allow them to negotiate future salaries.

Another exciting explanation for a decline in the gender pay gap is the increased ambition and interest in innovation. In June 2016, **Forbes** published an article which found over 40% of women earning over \$100,000, 44% to be 'self-made'. This is hugely encouraging to think how women are transforming the way wealth is created in 2016. Women are taking greater ownership in their talents and abilities, and taking greater risks to achieve success.

In Ireland, the inherent benefits of female entrepreneurs are not lost. While we have historically lagged behind in the area of female-led organisations, as reported by **WMB** in 2015, strides are being taken.

Enterprise Ireland has set up a Competitive Start Fund specifically targeted to female-led start-ups. Creating these platforms for women encourages potential entrepreneurs to take a gamble on themselves, knowing there are organisations there to offer support to drive the business. **Founder of McCann PR, Maria McCann** says programmes like this are vital to the growth of Irish enterprise. Maria notes, "when I was starting out my business, I was an anomaly as a female entrepreneur, but increasingly I'm becoming part of the norm which is incredibly exciting. Women have the ability to foster creativity and advocate for others. These attributes coupled with savvy approaches to business practices are critical to success".

Politicians are recognising the value women bring to entrepreneurship and new business. **Senator Mary White** published a paper in 2013 highlighting the intrinsic benefits of more women leading and driving businesses forward in Ireland, and called on the government to act and implement policy to facilitate this.

In 2016 Ireland introduced two weeks paid paternity leave for new fathers. While this may appear unrelated, having businesses and the government recognise the importance of time-off when having children and not consider women the sole care giver, will make negotiating for a pay increase less of a taboo for new mothers. Firms are more open to offering support to both women and men who wish to take career breaks or time off to raise children or care for relatives. This shift ensures women feel equally valued in their professional roles, have greater leverage to negotiate salaries, and are less likely to feel the need to compensate for taking time out of their careers.

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This year also saw **Mhairi Black, an MP in the UK parliament**, call on the government to take accountability for the changes to women's pensions, where they increased the age of access to state-pensions. This sort of debate highlights not only the importance of legislation, but also of keeping issues affecting women relevant and on the government's agenda. It also sheds light on the fact that as **women generally earn less than men over their career, they will generally contribute less to a retirement fund than men**. Therefore, it is imperative that governments recognise this and strive to create instrumental changes.

Greater transparency in negotiations and reporting can also be attributed to reductions in the gender pay gap. From 2017, UK firms, with more than 250 employees will have to report how much they pay men and women, which should ultimately lead to a best practice for large firms. At the same time, Massachusetts, in the US, recently implemented a law restricting employers from asking about salary history. These sorts of legislative changes are indirectly aiding the reduction in the gender pay gap.

In conclusion, the 79c figure, while disheartening, shows how far we've come in recent years. In 1974, according to the **AAUW (American Assoc. of University Women)** the figure was at merely 59c. In just 40 years, a generation, this gap has gone through huge transformation, with further transformation to come. A 2015 report by **Eurobarometer** found 81% of Irish people want gender equality to be a priority for governments, higher than the EU average. This sort of response reminds us of the challenges and opportunities ahead to create a more equal and enriched society. We all have a role to play in closing this gap.