

# **Cynulliad Cenedlaethol Cymru The National Assembly for Wales**

Y Pwyllgor Cyfle Cyfartal The Committee on Equality of Opportunity

> Dydd Mawrth, 26 Ionawr 2010 Tuesday, 26 January 2010

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Cofnodir y trafodion hyn yn yr iaith y llefarwyd hwy ynddi yn y pwyllgor. Yn ogystal, cynhwysir cyfieithiad Saesneg o gyfraniadau yn y Gymraeg.

These proceedings are reported in the language in which they were spoken in the committee. In addition, an English translation of Welsh speeches is included.

#### Aelodau'r pwyllgor yn bresennol Committee members in attendance

Mohammad Asghar Ceidwadwyr Cymreig

Welsh Conservatives

Eleanor Burnham Democratiaid Rhyddfrydol Cymru

Welsh Liberal Democrats

Ann Jones Llafur (Cadeirydd y Pwyllgor)

Labour (Committee Chair)

Janet Ryder Plaid Cymru

The Party of Wales

Joyce Watson Llafur

Labour

#### Eraill yn bresennol Others in attendance

Julie Cook TUC Cymru

Wales TUC

Sue Dye Comisiwn Cydraddoldeb a Hawliau Dynol

**Equality and Human Rights Commission** 

Dr Natasha Hirst TUC Cymru

Wales TUC

Hilary Maclean Palandeipydd

Palantypist

#### Swyddogion Cynulliad Cenedlaethol Cymru yn bresennol National Assembly for Wales officials in attendance

Catherine Hunt Dirprwy Glerc

Deputy Clerk

Claire Morris Clerc

Clerk

Helen Roberts Cynghorydd Cyfreithiol

Legal Adviser

Denise Rogers Gwasanaeth Ymchwil yr Aelodau

Members' Research Service

Dechreuodd y cyfarfod am 9.29 a.m. The meeting began at 9.29 a.m.

## Cyflwyniad, Ymddiheuriadau, a Dirprwyon Introduction, Apologies, and Substitutions

- [1] Ann Jones: Good morning, and welcome to the Committee on Equality of Opportunity. I will go through the usual housekeeping arrangements. I ask that everybody ensures that their mobile phones, pagers, BlackBerrys and so on are switched off. We are not expecting a fire alarm test this morning; if it should sound it will be for a genuine reason, so we will have to vacate the building, taking direction from the ushers. The main assembly point is over by the Pierhead building. I always say at this point that, if you are in any doubt, you can follow me, because I will be one of the first to leave the premises.
- [2] I welcome Mohammad Asghar to his first meeting of the Committee on Equality of Opportunity. We always start at 9.30 a.m., so you do not have to worry about that. I also

record my thanks, and the thanks of the committee, to Jonathan Morgan, who was a valuable member of this committee. We enjoyed working with him, and we hope that that spirit will continue as we move on to the next sessions.

9.31 a.m.

#### Y Diweddaraf am yr Ymgyrch Cyfle Cyfartal Update on the Equal Pay Campaign

- [3] Ann Jones: I welcome Sue Dye of the Equality and Human Rights Commission, and Dr Natasha Hirst and Julie Cook of Wales Trades Union Congress. Thank you for joining us this morning. We have received your papers, so unless you want to make opening statements or offer an update, I propose that we go straight to Members' questions.
- [4] **Ms Dye:** I thought that I would make a few opening remarks.
- [5] **Ann Jones:** That is fine.
- [6] **Ms Dye:** Thank you for the opportunity to come to the committee and for your continuing interest in equal pay. I think that it is fair to say that, since we last spoke to the committee, both the Equality and Human Rights Commission and the Wales TUC are disappointed that so little progress has been made in addressing equal pay in local government. The majority of local authorities have still not settled their backpay or implemented new pay and grading structures. We are concerned about the number of claims—numbering about 20,000 at the last count—currently logged at the Cardiff tribunal. We are also concerned about the delay in accessing justice for those women, which is currently estimated at being between five and 10 years. Unblocking the logjam requires strong leadership.
- [7] Ann mentioned earlier that this is a particularly entrenched form of inequality, and it is difficult to make progress on it. Over the last 40 years we have tried legal cases, the moral case and the business case. We have slowly moved forward. Some leaders have tackled the issue, spending from the public purse to pay women and solve the issue of equal pay rather than paying lawyers to deny liability. However, some local authority leaders have decided that equal pay is less important than other priorities. That is a position that we fundamentally disagree with, because not only is it the legal right of women to be paid equally, it also has a huge impact on their families and their pensions in later life.
- [8] We welcome the opportunity that the Assembly has to introduce a specific duty on public authorities to address equal pay. It will shift the burden from individual women having to prove discrimination to public authorities being required to promote equal pay and narrow the pay gap.
- [9] Finally, we believe that there is a partnership dividend in closing the pay gap. It gives a clear signal that equal pay is taken seriously, and enables concerted action to take place. We have a job to do in moving equal pay up the agenda, and we hope that the committee will express the view to the Minister that equal pay should be given due priority.
- [10] **Ann Jones:** We will come back to local government and the single status issue later on in the session. I will start with the first set of questions. Sue, you state in your paper that the widening in the pay gap from 10 per cent to 13 per cent in the 2008 data was exceptional. Do you have any reasons for that? Can you account for why the gap narrowed again in 2009? I know that it only narrowed slightly, but it did narrow.
- [11] **Ms Dye:** The overall trend, as you probably know, Chair, is that the pay gap has been

narrowing slowly year by year. We were concerned in 2008 when the data were published and we saw that the pay gap had widened by several percentage points. We worked with Swansea University to understand why that was happening—there is a huge caveat on this, because it is one year of data, so it is difficult to see what is going on behind them. Also, the recession had not really impacted at that time. However, the headlines from the Swansea research are that earnings rose faster for men in relatively well paid jobs in Wales across most industries, particularly the private sector, and earnings rose much faster in the private sector than they did in the public sector. As the majority of women are employed in the public sector, that contributed to a widening of the pay gap. The position of women who work part-time was particularly highlighted by the Swansea research as well. Women are four times more likely than men to work part-time in Wales. The pay gap had widened between full and part-time working. Beyond that, it was difficult to see what was going on. According to the data set that came out in November 2009, the pay gap was back on its overall trend, so it had reduced again.

[12] **Eleanor Burnham:** Yr wyf am ofyn fy nghwestiynau yn y Gymraeg, os yw hynny'n iawn. Yr ydych wedi cynnal ambell i ddigwyddiad Cau'r Bwlch Cyflog, ac mae eich papur yn datgan bod ffurflenni gwerthuso'r digwyddiadau yn dangos yn ddiamheuol bod y digwyddiadau wedi cyflawni eu hamcanion. Sut y credwch y gwnaethant hynny?

**Eleanor Burnham:** I will ask my questions in Welsh, if that is okay. You have held a few Close the Pay Gap events, and your paper states that the evaluation forms from these events demonstrated indisputably that the events had achieved their objectives. How was that achieved in your opinion?

- [13] **Dr Hirst:** The feedback that we had from people who attended the events noted that the event was relevant to their needs and that they had been able to access the advice and the guidance that they had hoped to get from the event. Unfortunately, we have not been able to follow up on those people, but in terms of the evaluation sheets that were given in at the end of the conferences and employer and union representative seminars, we had good feedback on the events.
- [14] **Eleanor Burnham:** Yr ydych yn dweud nad ydych wedi gwerthuso, ond a oes unrhyw drefniadau i ganfod pa mor effeithiol y mae'r digwyddiadau o ran yr hyn y maent yn ei gyflawni?

Eleanor Burnham: You have stated that you have not evaluated, but are there any arrangements in place to measure the effectiveness of the events in terms of their outcomes?

[15] **Dr Hirst:** One of the difficulties that we have had is that the previous head of policy and campaigns, who led the Close the Pay Gap campaign from the Wales TUC side, has moved out of the organisation. In that respect, we have not been able to follow up on all the individuals who attended all of the events. We contacted the unions to ask them whether they felt that progress had or had not taken place over the last few months since we ran the events. Therefore, the second part of the Wales TUC paper includes the feedback that we have had from the unions. They have had difficulties with the negotiations. We have made some progress, but not as much as we would have liked to have seen. That is reflected in the Wales TUC paper.

9.40 a.m.

[16] **Ms Dye:** The events have been evaluated and we are tracking and monitoring progress across the public sector on the impact of sharing effective practice, in local authorities in particular, learning what has worked and what has not worked in local authority areas in Wales, and learning from the experience of the north-east of England, where the equal pay situation is desperately out of control. So, we have been working with local

authorities, in so far as we are able to, to monitor the progress and to try to estimate the impact of those sorts of events.

- [17] **Ms Cook:** Looking at point 4 in our paper and at the progress, the impact of the kind of events that we have held and the fact that we have provided people with information shows that, even during the recession, when we may have expected inactivity, unions' involvement in the workplace has not decreased—there is still a commitment from trade unions, and putting resources into this area of work still remains a priority for them.
- [18] **Eleanor Burnham:** I have a follow-up question. If this does remain a priority, why is it such a hassle for women to see what most of us see as being absolutely vital, after 40 years? Perhaps I should not say this, but—
- [19] **Ann Jones:** You are going to anyway.
- [20] **Eleanor Burnham:** Yes. I might be wrong about this, but do you think that if more women were leading the way in the negotiations on behalf of trade unions—and I might be wrong, because there might be lots of women doing so—it might be a different story?
- [21] **Ms Cook:** It might be.
- [22] **Ann Jones:** We will leave that one on the table.
- [23] **Eleanor Burnham:** Yr ydych yn dweud bod manteision yn deillio o'r digwyddiadau hyn oherwydd eu bod yn darparu gwybodaeth effeithiol, sydd yn fwy cadarnhaol na mynd drwy'r llysoedd, er enghraifft, oherwydd yr ydym i gyd yn gwybod nad yw'r broses honno bob amser yn arwain at y canlyniadau gorau. Felly, a oes gennych chi unrhyw gynlluniau i gynnal y digwyddiadau hyn yn rheolaidd er mwyn cynnal momentwm?

**Eleanor Burnham:** You say that there are advantages to holding these events because they provide effective information, which is more positive than going through the courts, for example, because we all know that that process does not always lead to the best outcomes. So, do you have any plans to hold these events regularly in order to maintain momentum?

- [24] **Ms Cook:** We have, obviously, embarked on this kind of information or educational event, but what is also important is that we have rolled out this equality theme for years in our training for representatives, so even if people on the ground attend a health and safety course, there is that thread of equality running through it. That includes areas of equal pay. I think that we do that fairly effectively, but the statutory rights for equality representatives may help to drive that forward in the workplace. We are aware of the frustration of going through the employment tribunals, and that often puts women off. Women are put off by going through what they know will be a long, hard process. Enabling representatives and employers to work together in partnership would certainly help the situation. I will not answer your first question.
- [25] **Eleanor Burnham:** To follow on from that, when you undertake this training, do you include councillors and the appropriate officials, who might not be fully on board in terms of the equality ideas that we have?
- [26] **Ms Cook:** We do not in the training that we undertake because it is a thread that we run throughout the core programme. So, although equality is threaded through our training programme for representatives, it is not specific. We have run 'bargaining for equality' weekend schools, which Natasha has been very much involved in, with trade union studies tutors and in which we have involved outside organisations.

- [27] **Eleanor Burnham:** What I am trying to get at—
- [28] **Ann Jones:** I think that its done through the trade union movement, so if they are trade unions members, then they would be able to attend the course. That is the point. I think that you are missing the point that if a councillor is a member of a trade union, then he or she can attend.
- [29] **Eleanor Burnham:** Yes, but do you not think, therefore, that we need to get to a situation beyond what you are doing, which is obviously good work, to try to enlighten people? After all, you are looking at the councillors who make these decisions, and certain officers. We know that the purse is tight, but we have to get out of this—
- [30] **Ann Jones:** Perhaps the Society of Local Authority Chief Executives and Senior Managers should do something. It is the organisation for leaders.
- [31] **Ms Dye:** The point that Eleanor has raised is absolutely critical. We have to win the hearts and minds of the people who are taking decisions. There is no question that equal pay for women is less of a priority. It is going down the political agenda. We feel that the campaign's task—to answer an earlier question as well, Eleanor—is not necessarily now to hold more events of that nature, but to try to get some face-to-face meetings with the people who are taking the decisions. In that sense, we want to work with the Minister to do that, and with the Wales TUC and the commission. That is the task for us. We have to persuade those who are taking decisions that this is a genuine priority.
- [32] **Ann Jones:** Joyce has the next questions, and then Janet.
- [33] **Joyce Watson:** Good morning. I would like to pick up a point relating to page 3 of the TUC's report. You say that the projected public sector pay cuts are likely to leave highly inadequate funding to address the equal pay differentials that have been identified. My response is to say, 'Here we go again'. I would like your comments on this. I can see how the argument will go, as can you; the answer will be 'not now', because of these tight or restricted settlements and circumstances. I cannot buy that argument, and neither can you, I am sure, because if it is a case of not now, when will it happen? This is what I always say in relation to equal pay: if not now, when? This has been going on since 1976, for goodness' sake. I would like some comments on that. You are right to identify this as a problem that will be presented as a reason, and I do not buy it.
- [34] I would also like you to further highlight your statement that it is leading to measures such as attempts to remove allowances on equal pay grounds. You say that these are more likely to be connected to efficiency savings across the board.
- [35] **Dr Hirst:** That statement came from one of our unions, which has been in negotiation with a particular employer. It has been cutting allowances for men who have been receiving allowances and bonuses for a while in order to bring them down rather than looking to increase the pay of women. It is saying that that is being done on equal pay grounds. However, the union believes that it is related to general efficiency savings across the board. So, we are seeing examples of that happening already, and it is a concern that that will continue.
- [36] **Joyce Watson:** Could you provide other examples?
- [37] **Ann Jones:** Is it possible for you to put some examples in writing for us?
- [38] **Ms Cook:** Yes.

- [39] **Ann Jones:** Thank you.
- [40] **Janet Ryder:** I am not sure whether we are having the WLGA and SOLACE in to give evidence, but, if we are not, I suggest that it might be a good idea to invite them and perhaps write to the Minister to find out exactly what has been happening in local authorities to raise awareness among officers and members on this issue.
- [41] **Ann Jones:** That is a good point. Eleanor, please be brief as we need to move on.
- [42] **Eleanor Burnham:** It is not always to do with giving more money, but with the complex human resources issue of looking at and approaching pay grades, and trying to manoeuvre around them, is it not? There are examples, and they are blatant ones—and I have to be careful what I say here—of male-dominated jobs in certain grades in local authorities, such as those who come to our household every week, who are paid very well in some instances, while carers, who are predominantly women, or the people who serve and supervise school dinners, as they are now called, are definitely at the lower end of the scale, and so it is a matter of jigging it around. Surely, it is not just the money; it is about having the right attitude. Following on from what Joyce said, we must do it now, must we not? Otherwise, we will never get it sorted.

9.50 a.m.

- [43] **Ann Jones:** We have been saying, 'We must do it now', for a long time—certainly all my working life. It is incumbent on those of us who are in a position to move this higher up the agenda to ensure that we do so. We will invite the WLGA and SOLACE in, and we will put our findings in a letter to the Minister. I can see every committee member nodding in agreement, so that is fine. I am taking licence there, as Chair, which I should not do. We will move on now. Oscar, you are next.
- [44] **Mohammad Asghar:** I think that Sue has already answered a bit of my question. The biggest culprit is the finance sector for discriminating against ladies. You mentioned the inquiry that was published in December, which found that 55 per cent of ladies earn less than men in that sector, which is very unfair, actually. It is no wonder that this world is in recession, because men are holding the money, rather than ladies. We would not have been in this problem if the ladies were there. Anyway, a lack of transparency over pay and working conditions, direct discrimination, and long working hours are all endemic in the finance sector. Why is that?
- [45] **Ms Dye:** I cannot disagree that there is a big problem in the finance sector, and part of that is to do with the dearth of women in senior positions. Our inquiry into the finance sector across Britain found a 55 per cent pay gap, 80 per cent of which was in performance pay. There were serious problems, with women starting on lower salaries than men, and, if you get percentage increases, that pay inequality stays with you for the rest of your working life. In some finance sector organisations, women were clustered at the bottom end of each grade and in the lowest grades. So, when you add all that together, you get a pretty appalling picture of discrimination, some of it indirect. There is also a culture of long hours and no flexible working.
- [46] The solutions that we have considered for the finance sector are: to have champions at board and senior level; to carry out equal pay audits, to make what is going on in the pay system visible; to take action to narrow the pay gaps; to introduce more flexible working; to tackle the culture of long hours; and to put more women into management roles. So, there is a series of measures to be taken to address the issue.

- [47] The picture of the finance sector in Wales was a bit different, however. We do not have finance sector headquarters here; we have more call centres and front-line staff. So, in Wales, we found that employers were more positive about fairness in the workplace, and they wanted to work with us. We have started to do that, looking at the pay system and at other areas to encourage and enable women to have a better experience in the workplace. Employers are introducing more innovative ways of offering flexible working to those women—and men—who have a family. So, I think that the picture in Wales is slightly different from that in the rest of the country.
- [48] **Mohammad Asghar:** That shows that we are growing the economy here, and, although we do not yet have the basic economic set-up in Wales, that time will come eventually. We will then want to take the lead of the National Assembly, as we virtually have a gender balance among Members. So, I hope that the pay scale in the finance sector will be the same. What proposal has EHRC put forward to address the issues identified in that report?
- [49] **Ms Dye:** I have already covered quite a few of the solutions. We recommend a set of actions for the second stage of the finance sector inquiry, which includes the things that I have talked about, such as board champions, strategies to get women into senior management roles, and enabling parents and carers to balance their work and home life more effectively so as not to prevent them from receiving performance pay or career development. There was a feeling that, unless people committed to the culture of long working hours, they would not get promotion and performance bonuses.
- [50] **Mohammad Asghar:** You mentioned a route to justice for the ladies earlier, Sue. My only advice to you when you go to court is to make sure that there is also a gender balance there.
- [51] **Ann Jones:** Let us move onto questions on the single status agreement.
- [52] **Janet Ryder:** One of the papers states that progress on equal pay in local government has stalled, and another says that the general view is that negotiating on single status agreements has become more difficult, as have attempts to receive reasonable settlements. You have already said in your evidence that the process is slowing and stalling. Will you explain more fully what the current picture is regarding the single status agreement across Wales? How many local authorities have made equal pay compensation payments to settle actual or potential claims?
- [53] **Ms Dye:** It is a bit difficult to say, because we are at one remove from a clear picture of it. At the moment, we understand that nine local authorities have settled the backpay, which means that 13 have not. The picture on implementing fair pay and grading structures for the future is less clear. I think that fewer than nine local authorities have done so.
- [54] **Janet Ryder:** Is there any reason why that is not a clear picture? Is it not possible to access the data, or is the information not coming through to you? Why is it not possible to get a clear picture of what is happening, county by county?
- [55] **Ms Dye:** The information is not coming through to us. The WLGA might be a source of information for the committee.
- [56] **Janet Ryder:** So, should the WLGA be able to tell us exactly what is happening in every county? You think so.
- [57] **Ann Jones:** Let us ask the WLGA to present a paper with that information before it comes to give evidence.

[58] **Janet Ryder:** The TUC paper also puts forward the experience at Neath Porth Talbot County Borough Council as offering an equal pay solution. Why is that the model to follow, and should other authorities be following it?

10.00 a.m.

- [59] **Ms Dye:** To explain what happened, Neath Port Talbot took a leadership decision to address this issue. It prepared a thorough plan for settling the backpay and planned that into its finances. The plan involved a settlement that covered every woman entitled to backpay. Every single woman was contacted and invited to attend explanatory meetings. The Advisory, Conciliation and Arbitration Service and the unions were present at the signing of the compensation settlements. The reach across the women affected in Neath Port Talbot was amazing—it was something like 97 or 98 per cent. The women had a compensation package that they were happy with. They came, signed and picked up a cheque. The authority was then able to draw a line under the backpay settlement and focus its efforts in negotiations with the unions on developing and implementing a forward pay structure.
- [60] What struck us about Neath Port Talbot was that it had recognised a business case that went beyond the legal requirement: the women who worked for them also lived in the area and voted. It understood that the women receiving those compensation packages were likely to spend the money locally, so there would be a benefit from that and a reputational benefit to the authority. We know that settling equal pay issues increases the loyalty of staff to their employer. It is early days to look at such things as a reduction in sickness absence rates and turnover, but benefits were already emerging from the Neath Port Talbot backpay example.
- [61] **Janet Ryder:** So, Neath Port Talbot settled the backpay and cleared the backlog and brought in single status pay at the same time, did it, or is it still negotiating that?
- [62] **Ms Dye:** It was not at the same time. It sorted out the backpay and then it introduced the new pay and grading structure. There was a bit of a break there, but it has introduced a new pay and grading structure.
- [63] **Janet Ryder:** Are you aware of any other counties that have followed that model?
- [64] **Ms Dye:** Not personally, not of any that have followed that exact model.
- [65] **Eleanor Burnham:** I thought that Wrexham council was doing well, and I am sure that you will be able to confirm whether that is the case. Some of us have been to some other counties to look at what they are trying to do. In my region of North Wales, I understand that Gwynedd is having particular difficulty coming to an agreement. Briefly, was it just the women who were union members who were paid, or was every it woman in Neath Port Talbot? I just want to clarify that.
- [66] **Ms Dye:** It was every woman.
- [67] **Eleanor Burnham:** That is fine.
- [68] **Ann Jones:** That would be a case for discrimination if it were only for the union members.
- [69] **Eleanor Burnham:** I know that we discussed this earlier, but there are obvious benefits to being in a union, and that is the whole point of it, so I just wondered about that.
- [70] Janet Ryder: You pointed out that Neath Port Talbot was an example of good

practice and that you are not sure whether that is being followed in other counties. Have other counties made a move towards settling that backlog? You said that nine have. Presumably, they have done that in different ways. Are you aware of counties trying to approach this in different ways?

- [71] **Ms Dye:** Each local authority has taken its own decisions on how to resolve the backpay issue. What struck us particularly about Neath Port Talbot was the commitment and the will to get things sorted. That was why we worked with it, to try to convey clearly the benefits of taking that sort of approach. By sharing that with other local authorities at the equal pay conference, we hoped that they would pick it up, learn from it and try to incorporate it in their strategies for tackling backpay. Whether that has happened in the other eight local authorities, I am not in a position to say.
- [72] **Janet Ryder:** To be fair to the WLGA, in 2009, it submitted evidence—not to us, but to the Health, Wellbeing and Local Government Committee—saying:
- [73] 'it has become very difficult to obtain Trades Union agreement on Single Status deals with long delays being experienced once proposals has been sent to the national trades unions. So while the employers may have finished job evaluation and pay modelling and be ready to roll out new structures, the national trades union circumstances may well contrive to prevent progress'.
- [74] In light of that statement from the WLGA, can you tell me what discussions the TUC has had with its member unions, local authorities and representative bodies about the pursuit of equal pay claims in employment tribunals, and the effect on local authority single status agreements?
- [75] **Dr Hirst:** When we were preparing this paper, we asked unions to give us an overall picture of how things are for them at the moment when negotiating with employers, but we have only a general picture. We can go back to ask for more detail on the question that you just asked and the other questions that we have had today, but, within the timescale that we had, we were not able to get very detailed information out of the unions. We are quite a small organisation, and we deal with many areas of the equalities agenda, working quite closely with our unions. Unison, for example, has an equal pay unit, which with a number of staff dealing with the equal pay claims coming from their members. The GMB is also doing a great deal of work on equal pay, which it has prioritised. We could ask them for more information on how they do that.
- [76] **Janet Ryder:** That would be useful to know because, while there may be a great deal of sympathy for what you have said, we must be fair to all sides. Otherwise, the WLGA could say that it has done all it can, but you could say that it has not, and there would be a bit of a stalemate. Somewhere along the line, this has to be worked through for the benefit of those who desperately need equal status and pay issues to be addressed. If you, as the umbrella organisation for trade unions, could provide us with a little more detail on what you think has been happening, I would welcome that.
- [77] **Ms Cook:** We will do our best to get that for the committee. However, this goes back to the Neath Port Talbot experience and the point that Sue made earlier about commitment and leadership: it is about taking that forward, and having the leadership and commitment from the top is important. We can do what we can do, but we cannot force the issue. We can negotiate, and we can do the best that we can on the ground but, without that commitment from the top, it is very difficult.
- [78] **Janet Ryder:** However, you accept that, if we are to invite the WLGA, we need the firm evidence that you have produced to challenge them with—to ask where the leadership is.

- [79] **Dr Hirst:** I read through the transcript of a meeting last January, when you had Paul Elliot from Unison talking to you about the developments on equal pay in that union, and there was a reference to how it was working with public authorities. The WLGA was also represented at that meeting. Perhaps it would be useful to have that kind of witness back to give evidence—someone who has a direct involvement in the pay negotiations.
- [80] **Ms Dye:** Part of the difficulty is deciding on a reasonable compensation settlement for backpay. Legally, women are entitled to six years' backpay. There has been a will to resolve that, but the compensation settlements are generally below six years' backpay. That causes difficulties in the negotiations between unions and the employer. From the commission's point of view, our fear and concern is that, if women realise that there is a backlog of cases at the Cardiff tribunal from five to 10 years, they are more likely to settle for a compensation offer of £300 when they are entitled to £8,000. That is really worrying and concerning, from the commission's point of view, because many women are finding that they are the sole breadwinner as a result of the recession.

10.10 a.m.

- [81] **Janet Ryder:** This goes back to the postcode lottery of which authority area you live in and its attitude to equal pay. That will have a dramatic effect on many women.
- [82] **Eleanor Burnham:** We have almost gone full circle. We have tried to convince local authorities, their leaders, officers and so on, that it is in their best interests and it is in the women's best interests, because this situation may be perpetuated possibly for 10 years, by which time people may be retired or even—and I am sorry to say this—no longer with us. What is the TUC's attitude? When you do these roadshows, do you advise women to go down the shorter route, if at all possible? What is the TUC doing? Otherwise, we will be in a stranglehold, with women in the north east, say, having to wait 10 years to get £80,000 in their pocket—and I am just exaggerating there, but you know what I mean. We all have to move this agenda onwards.
- [83] **Ann Jones:** Does everyone agree with that? I see that you do. Joyce is next, with a set of questions on leadership.
- [84] **Joyce Watson:** You have touched on leadership by talking about leading from the front, giving Neath Port Talbot as an example of excellent leadership, where a solution was found to both aspects: single status agreements and backpay. You both say in your papers that leadership is critical to this agenda of achieving equal pay, and that it needs to be improved or rejuvenated. You will like this question. What are the problems with the current leadership and how do you suggest resolving them?
- [85] **Ms Cook:** Our feeling is that there is no commitment from the leadership. That is the major problem—but that does not apply to every one. Perhaps there is a role for the Assembly Government to look at the attitude and commitment of leaders towards resolving these problems. However, it is not within our power to do it. We cannot change anything from that perspective. We just want to see that commitment from the top.
- [86] **Ms Dye:** As I said earlier, it is an entrenched form of inequality. There is no question about that, and it is perceived as being difficult. The easier route for any leader juggling priorities is to try to deny liability on this and to push it to one side. That comes back to the partnership dividend. The Assembly Government, the TUC and we need to join forces, with cross-party support. We need to engage face to face with the leaders to have that dialogue. It is not about sending a briefing paper or a case study of Neath Port Talbot or something like that. We have to have a genuine dialogue with those leaders. That is what is needed. The

partners need to go on some kind of trip around Wales to meet with those leaders.

- [87] Ann Jones: The Welsh Assembly Government put £54 million in specifically to help local authorities. It was not ring-fenced; it went into the revenue support grant. Do you think that perhaps they should have made some clear statements about that money to inform local authorities of it purpose? I know that several local authorities have had dividend over three years from that £54 million, but we have women who are still not even being talked to about their equal pay claims. It is too late now because that £54 million has gone, and it has gone there because the Government assessed that it would help, but here we are today with thousands of women in the public sector still without equal rights. Do you think that anything coming from the Government in future should come with a clear instruction to local authority leaders that they must use it to address a particular issue? Perhaps we should be tougher as a Government when sending money out. We all know that finances are tight, but local authorities will use that as a reason not to address the pay issue for yet another 12 months.
- [88] **Ms Cook:** Yes, definitely. That would have helped.
- [89] **Ann Jones:** We missed an opportunity.
- [90] **Ms Cook:** Yes.
- [91] **Eleanor Burnham:** This is another provocative statement. Do you think that we need more women chief executive officers, leaders of councils, councillors and senior officers? I do not see many of them around as I go around, even in my patch, in North Wales. We have one woman CEO in Wrexham, and that is about it. All the officers are male, have been there forever and a day, and have lovely—sorry.
- [92] **Ann Jones:** We could end up in trouble here. We will have officers from local authorities writing to us.
- [93] **Eleanor Burnham:** We need to kick-start something, do we not?
- [94] **Ms Dye:** On hypothecated funding, it was really helpful to have allocated that money to kick-start local authorities to address equal pay, but it was a bit of a missed opportunity in the sense that it was not ring-fenced. We are completely unable to track what happened to that money. In future, from the commission's point of view, we are very interested in the local government outcome measures. Is there a possibility to weave equal pay into those outcome measures and to ring-fence the money to address that? If so, it would be a helpful step forward.
- [95] Ms Cook: I agree with your point about women leaders. I would love to see more women in public and more senior positions, but it is such an uphill struggle for women to get to that position. They see the men in those positions doing the job quite differently from how it would be done by a woman. Their thought process is, 'Oh, my goodness, I think that I could do that, but it will mean that my work-life balance goes out of the window and my family will suffer'. The barriers for women to get into those positions are enormous. Until we can start bringing those barriers down, we will always have second thoughts or think that we cannot do it because we do not have the skills for a particular job. We know that that is not true. Breaking those barriers down is a huge task, and it is tough for us, as women trade unionists who work within the trade union movement as professional officers. It takes something to push you along and give you the confidence to be able to say, 'Ah, yes, I can do that job'. Having more women getting into those public and more senior positions promotes some optimism, because role models are very important. If women see other women doing a job quite differently, but still very well, then there is hope. We are still here after many years and I have been with this organisation for more years than I care to remember. There have been

small changes, but they are still very small and that is disappointing.

10.20 a.m.

- [96] **Ann Jones:** We have run out of the time allocated for this session, but are you able to stay for another 10 minutes or so?
- [97] **Ms Cook:** Yes.
- [98] **Ann Jones:** As you do not have a pressing engagement that you need to run off to, we will carry on with this session, because some interesting points are coming out from the discussion. Sue, you wanted to come in and then I will turn to Joyce—she still has two questions to ask and has been waiting patiently to ask them.
- [99] **Ms Dye:** On whether women make a difference in decision making, we think that they absolutely do. From the commission's point of view, our objective is that decision making in local government, central Government and at Assembly level should be more representative of the electorate. To that end, we have written to every party leader and chief executive in Wales asking for a meeting to discuss this very issue and what might be done regarding any seats that become vacant between now and the general election and around the Assembly elections in 2011. It is right at the top of our agenda.
- [100] **Ann Jones:** Joyce, you have been waiting patiently.
- [101] **Joyce Watson:** That is okay; I have not been waiting half as long as the women who are still waiting for their pay.
- [102] To what extent do you think that the duty on equal pay will assist in affirming leadership on equal pay?
- [103] **Ms Dye:** I feel very positive that the possibility of a specific duty on equal pay for Wales will make a difference, as it will encourage leadership engagement. When you have a responsibility, as a public authority, to promote equal pay and narrow the pay gap in that way, you will need to sit down, think and decide how you are going to do that. I feel that getting an effective action-focused specific duty will make a tremendous difference to this agenda, which is why we and the Wales TUC have put quite a bit of resource into discussing with voluntary sector women's organisations what sort of duty they think could make a difference. Obviously, transparency and making the pay gap visible is a big issue, but having something that is outcome focused, that requires public authorities to publish and review an action plan on what they are doing to narrow the pay gap has emerged very strongly as an issue from the consultation that we have done with the voluntary sector and the trade unions.
- [104] **Joyce Watson:** Do you think that the Close the Pay Gap campaign should continue in its current form?
- [105] **Ms Cook:** I think that we have done what we can with it, at the moment. I am not suggesting that it should not continue—it should—but I think that we need a bit of a regroup and a rethink about how we should take that forward. I do not know, Natasha, if you have anything to add on that. We have done the events, we have included it in our representatives' training and we have evidence to suggest that trade unions still see this as a priority. We need a rethink about how we take this forward.
- [106] **Dr Hirst:** One of the problems is that 'the pay gap' has become a meaningless soundbite. We have had a pay gap for decades. Equal pay legislation is not relevant—it is out of date—but the Equality Bill is not necessarily going to do much to change that. What is

going to change? What is going to provide a new drive to make public authorities realise that they have to deal with this? For that reason, I think that an equal pay duty is vital as a driver for change. It is a proper statement that sets out what authorities need to commit themselves to and why it is important not just for women but for the whole country.

- [107] On the Close the Pay Gap campaign, the events that we have held have been successful, but those who have attended have largely been those who wanted to attend. The problem is in reaching those people who are not engaging with the issue very well and who are trying to avoid their responsibility. Julie is right that we need to rethink how we go about tackling that problem of reaching those leaders who are trying to keep it at a distance for the time being.
- [108] **Ms Dye:** From our point of view, there is no question that the partnership approach has moved the equal pay agenda along during the last eight years in Wales—there is no question about that. It has been helpful to come to the Committee on Equality of Opportunity to discuss where the campaign can have the greatest impact. That is the point that we are at now. We have had to take stock; we have tried events and conferences, and the Government has tried capitalisation and putting 1.5 per cent on the pay bill of every local authority. We are now at the point of taking stock and asking, 'What will have the maximum impact in breaking through the logjam?' From our point of view, it is placing an effective duty on public authorities, and more focused engagement with leaders. So, that is what we are coming to the committee with today.
- [109] **Joyce Watson:** This is not a prepared question but I will ask it, as it seems a logical question. There are 20,000 women queuing up in the courts with Unison, and there are others with the GMB and other unions. Will it not be the case that some local authorities and trade unions will wait for the outcome of those cases, however long that might take, before they decide to settle one way or the other? If it is the case that people are prepared to wait, how can we then move the agenda forward?
- [110] **Ms Dye:** We are interested in looking at what is backed up in the Cardiff tribunal system at the moment. Our sense, as a commission, is that there are no strategic cases there, and we need to make the distinction between strategic cases and others. Very similar cases have gone through the tribunal system in England. The sheer numbers and the fact that they are largely equal value cases mean that the lead cases have to be evaluated on an individual basis. There is therefore a resources issue in respect of getting the equal pay expertise in to evaluate each of those lead cases. There are about 200 lead cases, and looking at those takes time. Very similar cases have gone through the tribunal system in England. There is the idea that local authorities have strategic cases and are waiting on the outcome, but that is not what I sense. I am not 100 per cent sure, because we are just looking at that at the moment.
- [111] **Ann Jones:** I have a quick question. We keep talking about the Cardiff tribunal system, but are all the north Wales authorities using the one in Cardiff as well, or are they using ones across the border, such as those in Shrewsbury and Liverpool? It would be interesting to see how many local authorities use ones outside Wales. We can perhaps try to find that out. I was just wondering whether those in north Wales, rather than using the tribunal system in Cardiff, would use the ones in Liverpool or Shrewsbury.

10.30 a.m.

- [112] **Ms Dye:** I think that they are all coming through Cardiff, but I will find out and let you know.
- [113] **Ann Jones:** Thank you. Eleanor, you may ask one last question.

- [114] **Eleanor Burnham:** The longer people wait, the less likely they are to get the money. Prevention is better than cure, because if we could settle all of this quickly, the women would not be waiting, it would cost the authorities less and everything would be far more equitable. I just cannot understand this. To be frank, the only way we are going to get around this is by getting more women into leadership roles, council roles and officers' roles because we are just knocking our heads against a brick wall at the moment. The only people who are winning are the solicitors and the barristers, not the women.
- [115] **Ann Jones:** That is the issue. We are talking about women who are not on fantastic wages, but who are on almost the minimum wage. As you said, they may be the sole breadwinner and here we are messing around at silly levels. Is there anything else that you wanted to add that you think that we should have asked you about?
- [116] **Ms Dye:** I think that it has been a very helpful discussion and we have covered the ground that we wanted to cover.
- [117] **Ann Jones:** We will get the Welsh Local Government Association and the Society of Local Authority Chief Executives and Senior Managers in and we will write to the Minister with our views on equal pay. You will get a copy of today's transcript to check it for accuracy. Thank you for coming in. We are sorry that we have not sorted it, but I am sure that we will.

10.31 a.m.

#### **Cynnig Trefniadol Procedural Motion**

[118] **Ann Jones:** I now need to ask the committee whether we can go into private session. I move that

the committee resolves to exclude the public from the remainder of the meeting in accordance with Standing Order No. 10.37(vi).

[119] I see that the committee is in agreement.

Derbyniwyd y cynnig. Motion agreed.

Daeth rhan gyhoeddus y cyfarfod i ben am 10.32 a.m. The public part of the meeting ended at 10.32 a.m.