

# PILLAR IV : STRENGTHENING THE POLICIES FOR EQUAL OPPORTUNITIES

## INTRODUCTION

We believe strongly in equality of opportunity for all of our citizens and in action to help all groups at a disadvantage in the labour market. For that reason, we have introduced specific policies to help women, lone parents, disabled people, ethnic minorities and older workers.

We are keen to bring issues of concern to women into the heart of our policies. The Ministers for Women have set up a **Women's Unit** to monitor and influence decision making across all Government departments, placing a particularly high priority on the development and promotion of family-friendly employment policies and the complementary National Childcare Strategy.

Equality of opportunity for women means enabling them to fulfil successfully their roles as parents and contributors to society, and helping them achieve a rewarding and financially secure life. Women must be helped to retain lifelong contact with the labour market, break out of stereotypical employment roles and learn new skills. We are also encouraging lone parents out of the benefit trap and into work. The proportion of lone mothers in work fell to 40% in 1994 from a previous high of 48% and there are now 1 million lone parents, mostly lone mothers, who are claiming Income Support. The **New Deal for Lone Parents** will help to address this.

There are now 4.5 million disabled people of working age, one million of them living in workless households. The numbers of people on Incapacity Benefit now stand at 1.75 million. More than one in four people on sickness and disability benefits are either looking for work or hope to return to work in the future. Early entry for disabled people claiming the Jobseeker's Allowance to the main New Deal, plus a separate **New Deal for Disabled People** to help them out of sickness benefit and into work, will help these people re-enter the labour market.

The UK has 6% ethnic minority citizens, often concentrated in large urban areas. Many face higher unemployment than the majority population. We are committed to policies and programmes to remove barriers faced by ethnic minorities and enable them to participate fully and at all levels in the labour market. Individuals whose first language is not English can benefit from early access to the New Deal and racial equality will be "mainstreamed" into all employment and training policies and programmes.

We also aim to tackle the problem of age discrimination in employment. There is no single, simple solution to this problem but we are consulting widely to establish a consensus on what action might be effective. The consultation so far indicates that a non-statutory Code of Practice promoting fair recruitment measures could bring real benefits, both to businesses and to older workers alike. The consultation will continue into the Spring of 1998.

This range of measures will ensure that we meet the Guidelines on Equal Opportunity.

#### TEXT OF GUIDELINE 16

- **Tackling gender gaps**

Member States should translate their desire to promote equality of opportunity into increased employment rates for women. They should also pay attention to the imbalance in the representation of women or men in certain economic sectors and occupations. Member States will:

- ***attempt to reduce the gap in unemployment rates between women and men by actively supporting the increased employment of women and will act to reverse the under-representation of women in certain economic sectors and occupations and their over-representation in others.***

#### **Labour market context**

The extent of labour market participation of women in the UK is above the EU average although the extent of female unemployment may be under-reported as not all non-working women are required to register for employment.

- Female unemployment rate at 6.1% is lower than that for men (7.9%).
- Marked occupational differences exist: more women than men work in clerical and service occupations and in the health and education sectors.
- The female activity rate rose from 57% to 71% between 1971 and 1996, and is projected to reach 73% in 2001.
- Women now account for 45% of those employed but average female earnings are only 80% of average male earnings

### **GUIDELINE 16 : REDUCING THE GAP IN UNEMPLOYMENT RATES**

We are working to remove the barriers to female participation, for example by developing the National Childcare Strategy. We are also working to remove occupational stereotyping of women and ensuring equality of opportunity to enter all professions and occupations, as well as encouraging the development and adoption of family-friendly policies. The emphasis on avoiding gender stereotyping throughout schooling and in the provision of careers advice will help to ensure that both men and women have a real choice of careers.

In particular :

- we are supporting **Fair Play Consortia** at regional and sub-regional level to improve the participation of women in work and in the broader sphere of public life. Fair Play works through local partnerships of the public, private and voluntary sectors and sets up projects to meet local needs and priorities. Projects range from the exchange of information and good practice to financial credit, training and support to women to invest in running their own businesses, to helping women ex-offenders;
- the introduction of a **national minimum wage** will also help women workers. Women will benefit particularly from a minimum wage as they are over-represented amongst the lowest paid, and are more likely than men to work part-time, or at home or on temporary contracts.

#### **Indicators**

- Activity rates
- Average female earnings as a percentage of average male earnings.
- Representation of women in key employment sectors (as measured by research)

#### TEXT OF GUIDELINE 17

##### • **Reconciling work and family life**

Policies on career breaks, parental leave and part-time work are of particular importance to women and men. Implementation of the various Directives and social-partner agreements in this area should be accelerated and monitored regularly. There must be an adequate provision of good quality care for children and other dependants in order to support women's and men's entry and continued participation in the labour market. The Member States will:

*- strive to raise levels of access to care services where some needs are not met.*

#### Labour market context

The numbers of women in employment have increased markedly over the last few years.

- In 1994 only 30% of working fathers had a non-earning partner, compared with 45% in 1984.
- In 1995 35% of female employees had dependent children compared with 31% in 1985.
- 65% of employers offer some form of family-friendly working arrangements including part-time working.
- 12% of employers offer career breaks of at least 3 months to both men and women, whilst others offer other forms of breaks e.g. 9% offer extended maternity leave.

#### **GUIDELINE 17 : RAISING LEVELS OF ACCESS TO CARE SERVICES**

We are developing a range of initiatives to enable individuals to reconcile working and family life:

- The **National Childcare Strategy** will match the provision of childcare with the labour market and help working parents to balance family and working life. The planned extension of out-of-school childcare will cater for up to 1 million children. It is expected that most of the funding from the childcare strategy will be allocated in response to bids and plans which originate at local level. Childcare strategies are also being developed for Scotland and Wales.
- We have increased to £100 the maximum amount of **income spent on approved childcare** which is disregarded in calculating entitlement to in-work benefits (Family Credit, Disability Working Allowances, Housing Benefit and Council Tax benefit) for those with two or more children. At the same time we have extended the maximum age of children for whom expenditure on childcare can be disregarded from 11 to 12. Both measures will help to ensure that parents returning to work are better off even after childcare costs are taken into account than if they remain unemployed or inactive.
- For the future, we will ensure that no parent is unable to take up the opportunity of work through lack of access to affordable childcare. The new **Working Families' Tax Credit** announced in the March 1998 Budget will include a new childcare credit, worth 70% of eligible childcare costs up to a limit of £100 of eligible costs for families with one child, and £150 for families with two or more children.
- We intend to **increase in a number of ways the number of trained staff working with children**. Besides existing mainstream training programmes, up to 50,000 opportunities for young unemployed people to train and gain work experience in childcare will be offered as part of the New Deal. This should help create a large, skilled, childcare workforce which will, in time, increase childcare provision.

- The **European Social Fund** supports equal opportunities policies by helping to fund the provision of childcare facilities where they are directly linked to increasing access to specific ESF funded training, education or employment opportunities
- We are putting in place a framework of **family-friendly employment rights** and encourage awareness of good practice to improve the working life of those with families. The UK supports the Parental Leave, the Part-time Work and Working Time Directives which will lead to a welcome improvement in family-friendly policies and flexible working. For example the Part-time Work directive will promote flexibility across Europe and improve the quality of part-time jobs. This is key to our competitiveness agenda.
- We will also implement the Working Time Directive this year.

### **Resources**

£300m has been made available to fund childcare places, with a further £31m assigned to helping with the costs of childcare given by in-work benefits (childcare disregard). Resources for overall childcare strategy are not yet finalised.

### **Indicators**

- number of people seeking, but unable to find work because of family responsibilities
- childcare places per head of child population
- availability of a range of family-friendly employment practices by employers as measured by research
- provision and take-up of parental and family leave as measured by research

### **Timetable**

We will issue our National Childcare Strategy as a Green Paper in spring 1998. The Working Families' Tax Credit will be introduced in October 1999.

The Parental Leave Directive is due to be implemented by the end of 1999. The Part-time Work Directive (adopted by the other 14 Member States on 15 December 1997) is to be extended to the UK by means of an Article 100 Directive, which is expected to be adopted in Spring this year. We will publish draft regulations to implement the Working Time Directive around the end of March and to have them in force by 1 October this year.

### **Implementation**

Projects under the National Childcare Strategy are likely to vary according to local needs and circumstances and employers will be encouraged to take a positive role wherever possible. Further guidance will be developed over the next few months.

We expect to consult widely before implementing the Parental Leave and Part-time Work Directives.

#### TEXT OF GUIDELINE 18

##### • Facilitating reintegration into the labour market

The Member States will:

- *give specific attention to women, and men, considering a return to the paid workforce after an absence and, to that end, they will examine the means of gradually eliminating the obstacles in the way of such return.*

#### **Labour Market Context**

- There are an estimated 1.7 million lone parents in Great Britain.
- 1.1 million of these are claiming Income Support.
- Lone parent families represent 23% of all families in the UK.
- The UK labour force participation rate for lone parents is 41%.

#### **GUIDELINE 18 : REINTEGRATION INTO THE LABOUR MARKET**

The main plank of our policy on helping lone parents back into the workforce is the **New Deal for Lone Parents**. The objectives are:

- to help and encourage lone parents on Income Support to improve their prospects and living standards by taking up paid work or increasing participation in existing part-time work;
- to improve the job readiness of lone parents on Income Support to increase their employment opportunities.

The programme offers a voluntary, comprehensive package of back-to-work help for lone parents on Income Support through personal advisers. These advisers offer lone parents:

- places on Employment Service programmes designed to help them to develop essential job search skills;
- advice and support for the jobsearch process;
- advice on the benefits to which they may be entitled once they are in work;
- help, for those who request it, to find places on training programmes;
- help with childcare costs and to find places for their children in after-school care.

In addition, all parents in the UK will soon enjoy the protection offered by the **Parental Leave Directive**, which will allow them to take time off work to spend with their children with a guarantee that they can return to their job.

#### **Resources**

The **New Deal for Lone Parents** will cost £181m over the years 1997 to 2002. We announced in the March 1998 Budget that we would provide a further £10m in 1998 - 2002 to pilot further ways of improving the take-up and effectiveness of this programme. We are also making changes to the benefit rules so that lone parents on benefits can take a job

knowing that they will not be worse off if the job turns out to be short-term and they have to return to benefits.

### **Indicators**

There will be a full, independent evaluation of the New Deal, reporting in autumn 1999. Its findings will inform future development of Government policy towards lone parents.

### **Timetable**

The **New Deal for Lone Parents** was introduced in eight pilot areas around the country in July 1997. It will become available to all lone parents making a new claim for Income Support from April 1998, and will be extended nationally to all lone parents already on Income Support from October 1998.

### **Implementation**

The initiative is implemented by Lone Parent Advisers in the Employment Service and the Benefits Agency in the eight pilot areas.

## TEXT OF GUIDELINE 19

- Promoting the integration of people with disabilities into working life

The Member States will:

*- give special attention to the problems people with disabilities may encounter in participating in working life.*

### Labour market context

The Labour Force Survey shows that:

- there are 4.5 million disabled people of working age.
- 1.8 million of them are economically active.
- 250,000 disabled people are recorded as unemployed.

## **GUIDELINE 19 : PARTICIPATION OF PEOPLE WITH DISABILITIES IN WORKING LIFE**

There is a wide range of existing employment and training programmes for disabled people. The Employment Service provides help mainly through mainstream programmes and services but it also has over 600 Disability Employment Advisers who provide specialist help for people who have severe problems getting or keeping work.

Access to Work provides assistance for disabled people such as help with additional costs in travelling to work, adaptations to premises, special equipment and the cost of providing support at work. Training programmes are structured and funded to allow disabled people to take part in mainstream provision wherever possible. Adults with disabilities have immediate access to training without having to satisfy the six months of unemployment criteria. In addition, disabled people will also benefit from the following new initiatives :

- Unemployed disabled people who claim the Jobseeker's Allowance are eligible for early access to the **New Deal** provisions for both 18-24 year olds and long term unemployed adults.
- **The New Deal for Disabled People:** Under the New Deal for people with a disability or long-term illness, a range of options is being developed to help them to move into or stay in work, such as personal advisers to help people with disabilities or long term health problems overcome barriers to work; an information campaign to improve knowledge of the existing measures available to help people into work; and a programme of research and evaluation to develop understanding of the client group and to determine the effect of welfare to work initiatives.

Another key element of the New Deal will involve funding a number of innovative schemes to test ways of helping people who want to work. Organisations in the public, private and voluntary sectors have been invited to submit imaginative and creative proposals for innovative schemes to help disabled people into or to retain employment.

We announced in the March 1998 Budget that the New Deal will be complemented by the introduction in October 1999 of a **Disabled Persons Tax Credit** to replace the current Disability Working Allowance. We will make changes in the benefits rules in October 1998 to allow people on Incapacity Benefit or Severe Disablement Allowance, who have not been able to work for over 28 weeks, to move into work knowing that they can return to benefit and

receive the same rate as before if the job turns out to last less than a year. This addresses a major disincentive to work.

In addition we shall

- establish a Ministerially-chaired Task Force to undertake a wide review on how to implement comprehensive and enforceable civil rights for disabled people;
- establish a Disability Rights Commission (DRC); and
- implement the remaining rights of access to goods and services as set out in the Disability Discrimination Act 1995.

### **Resources**

Up to £195m has been set aside to finance the New Deal for Disabled People. £185m has been allocated in 1997-98 for the full range of Employment Service disability services.

### **Indicators**

- Employment rates for people with disabilities

### **Timetable**

The bidding process for projects under the New Deal was launched on 9 December 1997.

The Task Force was established in December 1997 and its work should be completed by July 1999. The Task Force is committed to providing its views on the role and function of the DRC by March 1998 and consultation is likely to take place over the summer. A date for establishing the DRC is dependent on the parliamentary timetable.

### **Implementation**

A timetable for implementation of the remaining rights of access to goods and services in the Disability Discrimination Act 1995 will be announced shortly. We are also consulting widely on the extent to which small employers currently excluded from these duties should be covered and any changes will be introduced by 2 December 1998. The integration of disabled people into the workforce is being actively promoted by publicising case studies.