

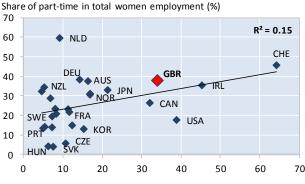
Despite gains in education and employment among women in the UK over the past decade, the high costs of childcare continue to be a major constraint to many mothers working full-time.

OECD projections show that by 2030, if the share of women working reached the same level as for men, annual growth rates in GDP per capita would rise by 0.5 percentage points in the UK. The boost to economic growth would be even higher if women's working hours increased too. The government should facilitate the increase of working hours among women, and especially mothers, starting with more affordable high-quality childcare services.

Gender parity in educational participation is now the norm in the United Kingdom: both young women and men participate to similar levels in upper secondary (82% of women and men aged 25-34 years) and tertiary (47% of women and 43% of men aged 25-34 years) education. But women continue to be <u>underrepresented in science, technology and maths</u> (only 19% of computing and 23% of engineering graduates are female).

Greater educational participation has also been matched by increased labour force participation. 70% of women in the UK are now employed or seeking employment. But much of this is <u>part-time</u> (40% of female employment) as many women struggle to combine work and family commitments. This contributes greatly to the substantial <u>gender wage gap</u> (18% at median earnings).

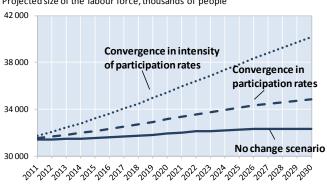
High childcare costs mean many women in the UK work part-time



employment will provide a boost to the labour force

Projected size of the labour force, thousands of people

Increasing the intensity (working hours) of female



Net cost in % of average wage for a dual earner family

The high costs of childcare continue to be a barrier for many seeking full-time work. In the UK, before accounting for childcare, the cost of entering work for an average-wage family's second earner is lower than the OECD average. But after accounting for childcare, over two-thirds of the family's second wage (68%) is effectively taxed away, a rate that is well above the OECD average (52%). The planned Universal Credit scheme should ensure that women seeking employment or looking to increase their working hours are provided financial incentives to do so.

Entrepreneurial activity is low among women in the UK. Less than 2% of working women are business owners. Entrepreneurship can provide more flexible working hours for mothers juggling work and family. However, data show that currently self-employed women work fewer hours and have a larger earnings gap than women in dependent employment.

But women in the UK often fare better than their peers across the OECD in terms of career progression. Over 35% of managers and senior managers in the UK are women, compared with an OECD average of around 32%. However, this fails to translate into women occupying the very top positions within companies; only 8% of <u>board members</u> among listed companies in the UK are women, below the OECD average of 10%.