



HM Treasury

HM Treasury Analysis

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New HM Treasury Analysis shows that high skilled female employment is growing across the economy

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Key Points

- The Chancellor, George Osborne, will be undertaking a tour over the next two days to see the role that women are playing in the economy. He will visit women working in all four of the major sectors of the economy.
- There are more women in work than ever before and the female employment rate is at a record high.
- And Eighty per cent of the increase in women's employment over the last four years has been in high skilled occupations.
- But there is more that we can do. If we could help 450,000 more women into work – just 6.9% of those working age women not currently in work – we would have a female employment rate equal to Germany and the second highest overall employment rate in the G7.
- For instance, by extending and increasing the Governments Childcare Business Grant to just £2million, we could support the creation of up to 50,000 further childcare places next year. The government will be exploring an extension ahead of the Autumn Statement.

The Chancellor of the Exchequer, George Osborne said:

"Our long term economic plan is all about creating jobs and the economic security that comes with that. That is why we have introduced the New Enterprise Allowance, Childcare Business Grants, and are now introducing tax free childcare, to support women who want to work.

Today's Treasury research shows that women are playing an ever larger role in the economy, but it also makes clear that there's more we can do to support women into work. That is why I am today visiting women working in all four sectors of the economy to find out what more we can do to support them." ENDS

Detailed Analysis

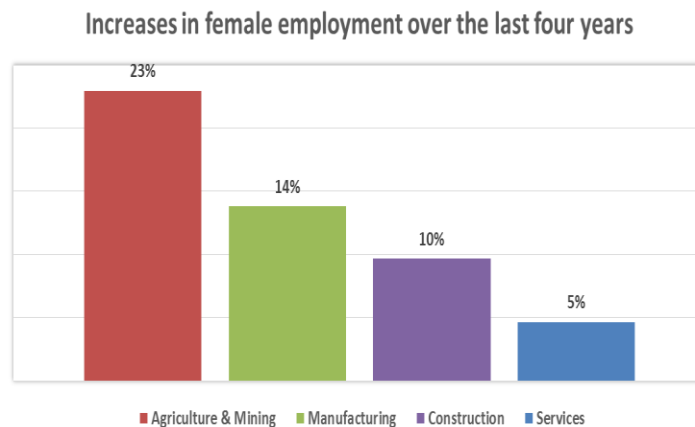
To Note: All UK labour force statistics are from the ONS' Labour Force Survey. International comparisons are taken from the OECD.

Female employment under the government:

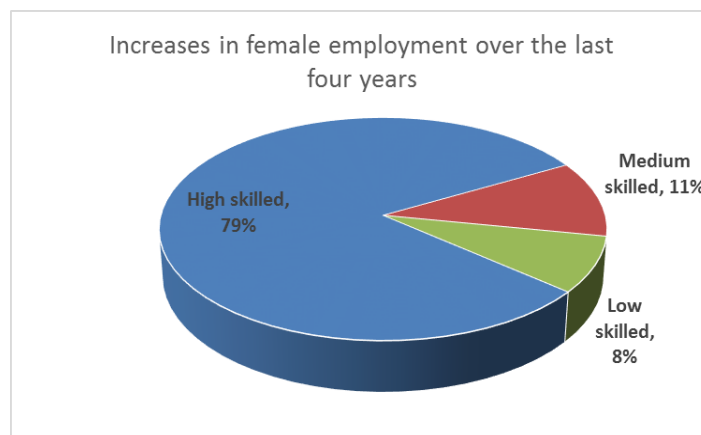
- There are more women in work than ever before and the female employment rate is at a record high.
- Since 2010 the number of women in employment has increased by over 771,000 (+5.7%), and by 368,000 (+2.6%) over the year, to a record high of 14.4 million.
- Total employment has increased by 1.7 million since 2010 and by 735,000 over the year.

But aren't female jobs concentrated in low skills services?

- No. The increase in women's employment has been broad based; rising in each of the four main sectors of the economy.
- And nearly 80 per cent of the increase in women's employment over the last four years has been in high skilled occupations, compared to 55 per cent for men.



Source: ONS Labour Force Survey



Source: ONS Labour Force Survey

- Over the last year nearly two-thirds of the increase in female employment has been full-time and over 70 per cent since 2010.
- The number of women with jobs in agriculture, manufacturing and construction has increased faster, over the last four years than for men.

- Over the last four years women's employment as Managers and Senior Officials has increased by 227,000 (equal to the increase for men), Professional Occupations by 147,000 (more than the increase for men of 92,000) and Associate Professionals and Technical by 211,000 (more than the change for men of 173,000).
- Over the last year women's employment in high skilled occupations has increased by 122,000 (more than the increase for men of 100,000).
- The share of female employment in the high skilled occupations in the economy is increasing – to 44 from 43 in 2010.

So, have you met your ambition on female employment?

- Government has already taken action to incentivise as many women as possible to remain in the labour market. Childcare has been a major priority for this Government – for example we're introducing Tax-Free Childcare, which will help families who want to go out to work by supporting them with up to 20% of their childcare costs up to £2,000 for each child.
- Further, raising the personal allowance to £10,500, means that by April 2015, more than 3.2 million low income individuals under 65 will have been lifted out of income tax altogether - a majority of whom (56%) will be women.
- But even though female employment is now at its highest ever level, we still have more to do to increase female employment.
- The female employment rate in Germany is higher than in the UK (69% vs. 67%). To match the current female employment rate in Germany we'd need 450,000 more women in work.
- Matching the female employment rate in Germany would mean the UK would move up from 4th highest overall employment rate in the G7 to the 2nd highest on current rates. Only 0.2 percentage points behind Germany.
- At the latest annual pace of female employment growth, taking into account population projections, the female employment rate in the UK would be expected to overtake the current German rate at the start of 2016.
- Assuming both male and female employment continued to increase at the current annual pace, taking into account population projections, would mean the UK would surpass the current overall employment rate in Germany at the start of 2015 - to have the highest employment rate in the G7.

Childcare Business Grant

- So far the Childcare Business Grant scheme has supported around 4,000 new child minders, which between them offered up to 29,000 new childcare places.
- The Government Equalities Office Childcare Business Grant scheme provides grants of £250 to prospective child minders or £500 to those looking to start up nurseries in England.
- The grants help with start-up costs, such as training, insurance, security checks...etc and are intended to help get businesses off the ground.
- So far the scheme has supported around 4,000 new child minders, which between them offered up to 29,000 new childcare places. However, it will close at the end of 2014/15
- The government will be exploring an extension ahead of the Autumn Statement.
- The Treasury assesses that increasing and extending the Childcare Business Grant by just £2m could support up to 50,000 new childcare places.

Annex A: Employment rates by gender in the G7, 2014 Q2

% of population aged 15-64	Male	Female	Total
Canada	75.1	69.3	72.2
France	67.7	61.0	64.3
Germany	77.5	69.2	73.4
Italy	64.7	46.5	55.6
Japan	81.6	63.4	72.6
United Kingdom	77.1	67.0	72.1
United States	73.3	63.0	68.0
G7	74.4	62.9	68.6

Source: OECD