

Speech: Hampton-Alexander Review speech

I am really delighted to be here because this is such an important cause and the third report of the Hampton-Alexander review is an incredibly valuable piece of work for government as well as for business.

I'd obviously like to thank Sir Philip, Denise Wilson, members of the review and also KPMG who are hosting today's event, for your leadership and your determination in driving forward gender equality in the workplace.

Now you'll have noticed that I've got one of the longest titles in government, and I'm Minister for Women as well. And as Minister for Women in the 21st century I shouldn't need to say this, but treating women fairly in the workplace really matters.

And this year we have celebrated 100 years of the first women gaining the right to vote in this country. We've also, of course, made history by becoming the first country to require large companies, large employers, to publish extensive information about their gender pay gaps. And what this meant, was that for the first time more than 10,000 businesses were having to have conversations at board level about how they treat their female employees. And we feel that we are moving in the right direction. There are more women in work than ever before and more women-led businesses.

And thanks to the Hampton-Alexander review almost 100% of FTSE 350 companies have reported their gender breakdown at senior executive levels this year.

There's a higher percentage of women on boards than ever before – 26.7% across the FTSE 350.

And we've reached more than 30% in the FTSE 100 for the first time.

The number of all-male boards has dropped from 152 in 2011 to 5 today.

But this shift in the business landscape has been achieved by setting ambitious, but not unrealistic, targets for business. And one of the greatest aspects of the work of the Hampton-Alexander review is the fact that it is led by business. Working with businesses to help them make the most of the skills women offer. I know that the review has worked and continues to work with many of you in this room. The 30% Club, the Women's Business Council, the Financial Reporting Council and many others are doing so much valuable work in business.

There is plenty to celebrate, but there is of course much more to do. With two years to go to meet the 33% target of the Hampton-Alexander review, this report sets out very clearly where more effort is needed.

We have only 12 female CEOs in the FTSE 350. It was around 20 years ago, that Marjorie Scardino become the first female CEO, and it's seen as pretty

surprising, frankly, that two decades later we are only just dipping into double figures.

And the FTSE 250 has a lot more to do in getting more women into senior executive roles. I very much hope that they will learn from the best practice set out in today's report.

Please don't think that I'm not aware that many of you in the audience will be thinking, 'Well hang on a minute, Parliament needs to do better as well when it comes to more women in Parliament.' I promised my speechwriters that in every speech I give I will be using this phrase – if there are any women in the audience who would like to stand for public office, please do so, I ask you to stand.

In today's economy and society it is essential that we make the most of everyone's skills, talent and energy, both men and women. We know that girls continue to outperform boys in many subjects at school. Over 50% of UK university graduates are female, and almost 50% of UK workers are women. But they are still missing at the top of businesses and it's common sense to have a diverse leadership team that will bring with it fresh perspectives, innovative ideas and a range of experiences.

You know the board that better reflects its customers, clients and supporters, is better able to understand their needs, and as has already been mentioned this morning, it makes good business sense too because companies in the top quartile for gender diversity are 15% more likely to have financial returns above their industry averages. And McKinsey's research estimates that bridging gender gaps in employment could add £150 billion to the UK economy by 2025.

So if we want our organisations to succeed, and to compete successfully internationally, and I've heard the comments about Brexit, we must include women. But current predictions are that we will need to wait until 2043 for gender equality in business leadership. According to the World Economic Forum more than two centuries to close the global gender pay gap.

We cannot accept that. Talented women are out there. Now we need to make more of them, make sure more of them are getting the experiences that will prepare them to take up leadership roles. We need to tackle the policies and cultures that keep women from entering certain sectors and driving women out of the workplace. For example challenging the assumption that it is only women who care for others, and that men don't have a role.

We want to work with you to bring about changes in our working culture.

We've introduced the right for every employee with 26 weeks continuous service to request flexible working. We have introduced Shared Parental Leave and Pay, because we know parents want choice in how they share care.

And we have just announced that we will consult on requiring employers with more than 250 staff to publish their parental leave and pay policies, so job applicants can make informed decisions about whether they can combine the

role with caring for their family.

We established the Women's Business Council to maximise women's economic potential. And I would encourage you all to sign up to their Men as Change Agents programme, or ask a male leader from your organisation to do so, because that can be a very powerful way of affecting change.

And with gender pay gap reporting, that was a government first by the way, we enjoyed a success rate of 100% of organisations reporting by this time. And that is apparently unheard of in government programmes so thank you to all the businesses that did their bit and complied with that deadline.

But with gender pay gap reporting publishing the data is of course the first step. The next deadline will be upon us very soon. I hope you're all preparing for that. And what we want to do is to work with you to work out where the problems are so that you can take action to solve them. The figures are just the first step, we need action plans as to how you're going to tackle those figures as well.

And of course we know that some sectors and organisations face greater challenges than others.

I am delighted that this year the Hampton-Alexander Review has carried out a sector analysis, ranking organisations according to their progress on gender balanced leadership.

Because companies need to get to grips with the specific issues of their sector – take the lead, challenge the status quo and drive change.

We've published the latest evidence on what works to help them.

Because with the right advice, every workplace can harness the talent of their whole workforce, through employment offers that cater for individual choices and circumstances.

Now this will be more difficult for some sectors than others, because they have been traditionally male dominated. But my challenge to those sectors is that we are not bound by the past, and frankly we should not define ourselves by it. So they have the greatest challenge but they also, I think, have the greatest opportunity.

So I'd like to thank again Sir Philip and his steering group for the work that they are doing, all that is being achieved so far.

The Lord Davies target of 25% was met; the 30% Club's target of 30% has been met.

And now we need to pull out all the stops to ensure the Hampton-Alexander targets are met.

I therefore urge all companies, no matter their size or the sector in which they work, no matter what their starting position is, to support, and engage with the work of the review.

Because we are leading the world on this together.

And we have much more to do to make sure that women's talent and the heights of their ambitions are the only determining factors, in their ability to succeed and make it to the top.

Because this is about ensuring every sector, every community and our nation is strong and fit for purpose – the best it can be.

Thank you.