

SFA submission to the Citizens Assembly

The Small Firms Association (SFA) fully supports the work of the Citizens Assembly to address barriers to the full socio-economic equality of women and girls in Ireland. As a membership organisation, SFA works with business owners on diversity and inclusion and provides them with information and resources to understand and address gender equality. Small firms (companies employing less than 50 employees) make up 97% of enterprises in Ireland. 91% of Irish companies employ 10 or less employees. Small firms employ nearly half the private sector workforce. Therefore, when we look to address gender equality in work, we must be conscious that it cannot be about filling quotas, increasing regulation or the cost of labour but must instead focus on the cultural and structural problems that undermine female progression in the workplace. Furthermore, men, in Ireland, are three times more likely than women to be self-employed (21.2% vs. 6.9% for women), which is a greater gap than in most other EU member states^[1].

When considering policy solutions to advance gender equality in work it is worth understanding why some small firms struggle to improve gender balance within their organisation. Firstly, due to their size, they have limited roles and progression routes. Small firms have a low attrition rate in staff turnover compared to larger organisations. Small businesses can have limited or no HR resource, so owner-managers do not have the time or skills to develop gender strategies and management systems. Due to their size and the nature of the business, some small firms face challenges in implementing flexible work options. The extension of family leave, in recent years, has impacted greatly on small firm's business costs.

SFA believes that all employers should provide a fair wage to employees. However, we do not believe the introduction of a living wage is part of the solution to achieve gender equality in the workplace, as this will add to the cost of labour for small firms and undermine their capacity to retain employees and deliver new jobs. Furthermore, collective bargaining will not address the structural barriers to gender equality within small firms. Because of its wide-ranging terms collective bargaining could have serious economic and organisational effects on the small business community. A proportionate approach should be taken here.

Due to their nature many small firms offer remote and flexible working hours, however, the Citizens Assembly should acknowledge that for some small businesses, the benefit of flexible working is not always an option. Ireland's work life balance

legislation has evolved in recent years and further leave days will be introduced through the new Work Life Balance Directive^[2]. This combined with the Organisation of Working Time Act 1997 highlights that further legislation to press for additional flexibility is not appropriate at this time.

In the long-run seeking solutions, now, to occupational segregation, stereotypes and gender norms will address gaps in the self-employment and entrepreneurship activity rates of women in Ireland, as it is these cultural and structural problems that are undermining the growth of women business owners.

As an economy we clearly have further to go on gender equality in work and the SFA acknowledges the role that small business owners have in bringing this about. However, to achieve this we cannot place unrealistic costs or regulation on our smallest employers. Instead, society and our business community would all benefit if issues such as occupational segregation, stereotypes and gender norms were better researched, and actions taken to address them.

^[1] <https://dbei.gov.ie/en/Publications/Publication-files/SME-and-Entrepreneurship-Policy-in-Ireland.pdf>

^[2]

<https://ec.europa.eu/social/main.jsp?catId=89&furtherNews=yes&newsId=9438&langId=en>