

PRESS RELEASE



06/11/2015

NOT FOR BROADCAST OR PUBLICATION BEFORE 00.01 HRS ON FRIDAY 6 NOVEMBER 2015

This is the annual Halifax review of key differences between men and women in terms of economic and financial behaviour. It is based on data from several sources, including the ONS, DWP and from within the Lloyds Banking Group, including Halifax and Scottish Widows.

Men vs Women 2015: Pay gap narrows but men still better off overall

- Since the middle of 2009, women's earnings have risen twice as fast as men's, on average
- On average, men in full time employment still earn 32% more than females
- Female Halifax savers have an average balance equivalent to 45% of their average annual gross earnings, compared to 26% for men.

Women's earnings have risen more rapidly than men's in the last five years, but despite this narrowing of the gender pay gap, men are still better off on average with higher salaries and bigger pension pots, *according to the latest research from Halifax.*

Pay packet progression

Since the end of the economic downturn in the middle of 2009, on average, women's earnings have risen twice as fast as men's. Between 2009 and 2014, women's salaries rose by 8%, compared with just a 4% increase for men. Nonetheless, a considerable pay gap between the sexes remains. In 2014, males in full-time employment earned, on average, 32% (£9,037) more than females. The average salary for a man in full time employment was £37,028, compared to £27,991 for a female counterpart. This gap, despite being still very significant, has fallen from 39% ten years earlier, when the average salary for a man was £30,183, compared to £21,750 for a woman.

Men are more likely to be in employment than women (78% against 69%), with more men in full-time employment (71% against 53%). It seems that traditional gender roles remain for the majority of working families - over a third (37%) of all working women are in part-time employment, compared to just one in ten (9%) men. Men are twice as likely to be self-employed as women (19% against 10%).

Employment on the up

Both sexes were affected by the economic recession of 2008-09, when the number of men and women claiming unemployment benefits doubled. Since October 2009 the number of men on the unemployment claimant count has fallen by more than half (59%) whilst female unemployment has fallen by more than a third (37%). As a result, the proportion of women accounting for total number of unemployment claimants has risen from 27% in October 2009 to 36% in April 2015; the share for men has fallen from 73% to 64%.

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Giles Martin, Head of Halifax Savings, said: “In terms of pay, women have fared better than men since the economic recovery began. Whilst this has helped to reduce the economic and financial gap between the genders, there is still a substantial difference in average salaries when in full time employment.”

“Despite the economic outlook brightening, there are lots of financial pressures facing families, and planning for the long term as well as the short term is key irrespective of gender or income.”

Saving and planning for the future

Female savers with Halifax have an average balance equivalent to 45%¹ of their average annual gross earnings, whereas men have an average balance of just 26%¹ of their earnings, a difference of 19 percentage points. The typical savings balance held by female customers is £9,234 compared to £8,878 held by men – a difference of £356.

Men are also more likely to have no savings, with 43% of single men reporting to have none compared with 34% of single women. A slightly higher proportion of women (34%) have an ISA than men (31%). Men are more likely to have share related investments: stocks and shares (12% against 9%) and company share schemes (2% against 1%).

Despite women having more savings than men on average, more men are contributing to a pension in 2013/14 (30% vs 27%). While a quarter (25%) of both men and women participate in an employer-sponsored pension, fewer women have a personal pension (3% against 6%).

There has been an improvement in retirement savings figures over the last three years since the launch of automatic enrolment. Nonetheless, women continue to make less provision for their retirement than men, with 52% of women currently saving adequately compared with 60% of men.

On average, male pensioners have higher incomes than female pensioners. Single male pensioners had an average net income after housing costs of £209 per week in 2013-14 compared with £194 for single female pensioners – a difference of 8%.

Editors' Notes:

Data sources:

Earnings and employment figures from ONS.

Current account, savings and investments and pensions and housing tenure: DWP's 'Family Resources Survey' publications, 2001-02 and 2013-2014;

¹ Average annual means earnings of all male workers (£33,802) and women workers (£20,720). April 2014. Source: ONS

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Adequacy of pensions savings by gender from Scottish Widows, 'Retirement Report 2015'.

Pensioner incomes from DWP's 'Pensioners' Income Series 2013-14' publication.

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