

Catherine Hobby highlights the shortfalls in the Treasury Committee's recent report and argues that effective change needs to start with a comprehensive understanding of the issues

In '[Sexism in the City](#)', the Treasury Committee reports that continuing gender inequity and a prevalent culture in the financial services industry is holding back progress for women. The findings are the result of an inquiry exploring progress five years after a [Women in Finance](#) report highlighted the underrepresentation of women in senior positions and identified a range of barriers preventing women entering and having careers in financial services.

The 2024 report finds that little has changed, with some sectors seeing no improvement at all. This is significant as financial services is one of the most important sectors in the UK economy, [employing 2.5 million people](#) across the UK directly or in related professional services, and producing £279 billion of economic output.

As the report acknowledges, diversity and inclusion should be a business priority (p. 40) as the continued exclusion of women squanders talent, but there is little in the report likely to effect change, as shown by its treatment of the menopause and its recommendations on sexual harassment and non-disclosure agreements (NDAs).

Menopause

The report rules out a detailed exploration of intersectional diversity issues as 'beyond' the inquiry's scope (p. 7), only acknowledging that the challenges are exacerbated for women with disabilities and from ethnic minorities. This failure to consider intersectionality is also relevant to the issue of the menopause, which affects the protected characteristics of sex, gender, disability and age.

The report gives scant attention to the impact of the menopause on women's careers, despite the presentation of evidence that support and understanding around the menopause could prevent fewer women leaving their role. It makes no recommendations regarding the menopause, and even expresses the view there is "cautious optimism" that the menopause "does not have as much effect as it once did on women's careers" (p. 21). This is an odd observation when the report accepts that there is "insufficient data" on whether menopause remains a barrier to promotion for women.

This limited analysis is a failing when the report finds only 'incremental improvements' in the proportion of women holding senior roles and some sectors seeing no improvement at all. Recent research has shown that women are leaving paid employment and cutting hours in a period of their career when they could be advancing to a more senior role. [A survey](#) in 2023 found that 23% of women considered resigning due to the menopause and a further 14% planned to hand in their notice. The report is out of line with the finding by the Women and Equalities Committee of a '[haemorrhaging talent](#)' of women leaving their jobs because of the

menopause. As explored by Dr Charlotte Proudman, to contribute to change, the report needs to [‘dive into a detailed analysis of intersectional diversity’](#). It fails to do so.

Sexual harassment

The report finds that sexual harassment as a societal problem is ‘worse’ in the financial services industry compared with many other sectors (p. 37). The advocacy group [Can’t Buy My Silence](#) provided evidence that 45% of workers in financial services have experienced sexual harassment. The use of NDAs is also found to be widespread, and in the evidence many respondents suggested that the use of NDAs should be banned. The report notes new [legislation](#) prohibiting the use of NDAs in higher education in relation to complaints of sexual misconduct, bullying and harassment, but it makes no recommendations to extend the legal prohibition. In the evidence, Kemi Badenoch, Minister for Women and Equalities, stated the government is looking into ‘an elegant solution’ for preventing the misuse of NDAs more widely. It will be interesting to discover what the elegant solution is, and how it will effectively prevent the abuse of NDAs in areas of sexual misconduct to silence victims and protect the perpetrators.

In conclusion, the report highlights the problems of sexism, misogyny, sexual abuse and harassment in the financial sector, but only reflects the findings of other recent reports, such the [Casey report](#). Much concern is expressed, not least in respect of appalling testimonies on sexual abuse and harassment, and as recognised by the Treasury Committee there is ‘no silver bullet’, but effective change needs to start with an understanding of the issues preventing a change in culture and reinforcing sexism.