



Engender submission of evidence to the Social Justice and Social Security Committee call for views on its Pre-Budget Scrutiny 2022/23

October 2021

1. INTRODUCTION

Engender is grateful for the opportunity to provide evidence to the Committee in support of its pre-budget scrutiny for 2022 – 2023. Our submission focuses on the transformative potential of gender budgeting in the realisation of women’s equality and the need for gender to be strategically analysed across subject committees including, but not only, the Social Justice and Social Security Committee. Despite this potential, existing commitments to gender budgeting have not led to its consistent application.¹ The Scottish Budget process continues to pay inadequate attention to structural gender inequality, and women’s and men’s different lived experience, alongside current thinking on how gender budget analysis can be systemically and effectively integrated throughout budget setting and revenue-raising processes in Scotland.

We also welcome the described ‘national mission’ to eradicate child poverty,² including the need to coordinate actions across the Scottish Government. It is extremely pertinent to consider the role of gender budgeting within this and we warmly welcome the Committee’s approach. Women’s economic and social circumstances are inextricably linked to that of their children and achieving the Child Poverty Targets will be impossible without a robust gender analysis as well as specific interventions to improve women’s access to secure and adequate incomes. The

¹ Scottish Government (2020) Equality and Fairer Scotland Budget Statement 2020-21, Annex B

² <https://www.gov.scot/binaries/content/documents/govscot/publications/strategy-plan/2021/09/fairer-greener-scotland-programme-government-2021-22/documents/fairer-greener-scotland-programme-government-2021-22/fairer-greener-scotland-programme-government-2021-22/govscot%3Adocument/fairer-greener-scotland-programme-government-2021-22.pdf>

Scottish Government's Every Child, Every Chance: Tackling Child Poverty Delivery Plan 2018 – 2022 explicitly recognises this connection.

There is no area of policy where women and men do not have different experiences or access to power, resource and safety. Budgets are not neutral, but present an opportunity to reinforce these inequalities or to account for them according to political and public policy goals. The Committee's focus on anti-poverty policy is no different in this regard, and we indicate some of the highly gendered issues that must shape consideration of all related policy, including social security, care, economic development, employability, and child poverty frameworks.

2. GENDER BUDGET ANALYSIS IN SCOTLAND

2.1 About gender budget analysis

Gender budgeting is the application of gender mainstreaming to the process(es) for allocating resources:

“conducting a gender-based assessment of budgets, incorporating a gender perspective at all levels of the budgetary process, and restructuring revenues and expenditures in order to promote gender equality. In short, gender budgeting is a strategy and a process with the long-term aim of achieving gender equality goals.”³

Women and men in Scotland do not enjoy equal access to power, resources, and safety. It is vital to think about how women's and men's experiences differ and how these differences should shape revenue-raising and expenditure across all portfolios. Gender budgeting does not entail a separate budget for women, nor aim at equal spending on women and men. Rather, it is a process that ensures that spending decisions respond to both men's and women's social and economic realities.

Gender budgeting, like all gender mainstreaming, requires introducing a gender perspective from the very beginning and through every step of the formulation of policies and programmes. Policy analysis that informs revenue-raising and spending decisions must therefore be underpinned by equality goals that reflect women's lives, such as addressing the disproportionate delivery of reproductive labour that is often excluded from economic discussions.⁴ Gender budgeting can therefore expose unwitting bias within budgetary processes that are otherwise assumed to be gender-

³ <https://eige.europa.eu/gender-mainstreaming/toolkits/gender-budgeting/what-is-gender-budgeting>

⁴ Thomson E (2020) Making inclusive growth work for women in Scotland. Engender and Close the Gap

neutral. Used well, it will strengthen gender equality of outcomes across all public expenditure and government departments.

2.2 Background on gender budget analysis in Scotland

Since devolution, Scotland has made some progress towards gender-responsive budgeting, primarily in the form of the Equality and Budget Advisory Group (EBAG) and the Equality Budget Statement (EBS), now the Equality and Fairer Scotland Budget Statement (EFSBS). Published in parallel to the Draft Budget, the EFSBS assesses the Ministerial Portfolios' proposed spending plans for their impact on equality and socioeconomic inequality. It is currently the only process of its kind in the UK, although the Welsh Government has articulated ambitions to apply intersectional gender budgeting from 2022.⁵

While the EBS was an important step towards gender budgeting when first introduced in 2009, it does not fully accord with definitions of gender budgeting.⁶ It can be seen as comprising a list of gender and equalities-inflected spend - describing spending decisions that have already been made, rather than as a tool for driving the budget process itself. This is reflected in the final report of the Budget Process Review Group, which considers that further equalities analyses should be published and considered throughout all aspects of a year-round budget approach.⁷

The latest Equality and Fairer Scotland Budget Statement (2021-2022) does attempt to link inequalities for protected groups to government portfolios. It tested a new approach, whereby each portfolio “identifies a small number of specific key inequalities of impact and links this to policy response and spend.” It goes on to clarify that “portfolios have been asked to restrict themselves to two inequalities per protected characteristic”⁸.

For example, for the social security and older people portfolio, the key inequality outlined is “In the UK women receive a greater proportion of their income from social security payments than men on average, due to both their lower average incomes and being more likely to receive payments for people they care for”. While this acknowledges a critical issue, it does not – nor does it claim to – cover the multitude of inequalities inbuilt in the design and delivery of the UK social security system. The response or new spend identified is the Scottish Child Payment,

⁵ Welsh Government (2020) Budget improvement plan

⁶ O'Hagan (2017) Gender budgeting in Scotland: a work in progress

⁷ Scottish Parliament (2017) Budget Process Review Group final report

⁸ Annex B of the EFSBS 2021-22, Available at: <https://www.gov.scot/publications/scottish-budget-2021-2022-equality-fairer-scotland-budget-statement/documents/>

“expected to increase social security income for women with children and in receipt of reserved benefits”, a measure available to ‘households’ without specific eligibility tied to the care of children that would increase uptake by mothers. This cannot be considered comprehensive or representative of a gender budgeting decision on resource use.

Such an approach does not allow for analysis of the cumulative impact of spending on women, men and gender equality, offers no explanation as to why specific inequalities were included at the expense of others, and limits the ability to make clear connections between the rights and inequalities identified, as well as across protected characteristics.

2.3 Towards implementation of full gender budget analysis

In Engender’s 2017 Gender Matters Roadmap,⁹ we called for the Scottish Government to extend the Equality Budget Statement into a full gender analysis of the Scottish Budget process, where the cumulative impact of spending decisions on women’s equality is considered. We continue to believe that the EFSBS needs a clearer purpose and revised timing to substantively inform the development of the Scottish Draft Budget and to be used more effectively by MSPs and parliamentary committees in their budget scrutiny. In this vein, we note EBAG’s recommendation for Scottish Government to turn its recent report and recommendations for equality and human rights budgeting¹⁰ into a prioritised and well-resourced action plan over the parliamentary term to 2026, and encourage the Committee to echo this call.

Budget setting

Analysis of how budget decisions impact on women and men involves not only examination of the central equality budget (increased to £32.2 million for 2021-22) and ad hoc programme spending (for instance, £521.9 million assigned to Early Learning and Childcare Expansion in 2021-22), but comprehensive gender budget analysis. Outside of these specific and ad hoc funds, spend around women’s equality must also be mainstreamed across portfolios, such that transport funding aims to meet women’s and men’s needs for public transport provision, funding for economic development agencies aims to meet the needs of female entrepreneurs, and so on.

⁹ Engender (2017) Gender Matters Roadmap: Towards Women’s Equality in Scotland.

¹⁰ Available at: <https://www.gov.scot/publications/equality-budget-advisory-group-recommendations-for-equality-and-human-rights-budgeting---2021-2026-parliamentary-session/pages/appendix/>

Scottish Government's priorities on women's equality and rights are set out in individual policy frameworks, including Equally Safe¹¹ (Scottish Government and COSLA's joint strategy on ending violence against women) and the Fairer Scotland for Women action plan on the gender pay gap.¹² We continue to see very little connection between Scottish Government's policy frameworks that include women's equality and rights and spending allocations in the Budget.

The tools trialled over the last two years can be seen as steps in the right direction, particularly given the commitment to further thinking and development. However, in line with Scotland's commitments to women's equality and human rights, GBA should now be embedded within the Scottish Government's standard, annual budgeting and policymaking routines. It is vital that gender analysis is not used only as an extrinsic form of analysis.¹³ Instead, Government should be able to demonstrate how GBA has informed resource reprioritisation and reallocation decisions across spending portfolios and throughout the formulation of the budget.

Budget scrutiny

A gender lens must be applied to budget scrutiny, not only by the SJSS Committee but across the committee system, including that of the Finance Committee. Parliament has a key role to play in scrutinising the process whereby Scottish Government develops these tools and its capacity to do GBA, ensuring that officials are undertaking adequate gender equality analysis in each department and across each spending portfolio, and holding government to account for the promotion of gender equality in activities and investments across all sectors.¹⁴

Data and evidence limitations

A final key limitation in undertaking a gender analysis of the Budget is the inconsistency and availability of quality data. Gender-sensitive and sex-disaggregated data¹⁵ is far from the norm in Scotland, and the possibility of further disaggregation by race, class, disability, sexual orientation, age or other groups is even more remote. This fundamentally undermines the ability of public and third sector bodies to undertake intersectional analysis of inequality across different domains. Much data continues to

¹¹ Scottish Government (2018) Equally Safe: Scotland's Strategy for Preventing and Eradicating Violence against Women and Girls

¹² Scottish Government (2019) A Fairer Scotland for Women: Gender Pay Gap Action Plan

¹³ Downes R, von Trapp L, Nicol S (2017) Gender budgeting in OECD countries

¹⁴ Downes R, von Trapp L, Nicol S (2017) Gender budgeting in OECD countries

¹⁵ Engender (2020) COVID-19: Gathering and using data to ensure that the response integrates women's equality and rights

be collected at household level, and while households often share resources it is vital to be cognisant of inequalities that underpin access to household resources.

In addition, reliance on the National Outcomes established in the National Performance Framework (NPF) to measure progress of budgetary decisions¹⁶ is not likely to achieve much in relation to gender. In our view, the NPF is not well gendered.¹⁷ Only two of its 81 indicators relate specifically to women,¹⁸ and where sex-disaggregated data on individual indicators does exist, this is not well integrated.¹⁹ In our 2017 submission to the Budget Process Review Group, we called for the Scottish Budget Process to be strategically linked to a well-gendered National Performance Framework.²⁰ Given that this is not currently the case, linking the Budget process to the NPF will reduce the gender-sensitivity of the Scottish Budget and is likely to exacerbate existing inequalities between women and men.

2.4 The potential of gender budgeting in tackling poverty

The Budget must be seen as a critical tool in building a gender equal recovery and responding to a widely appreciated rollback in women's economic, social and political equality with men as a result of the Covid-19 pandemic.²¹ Full application of gender budget analysis must be applied throughout the budget, as described above.

Over the last year the Social Renewal Advisory Board's report 'If Not Now, When?',²² and the Advisory Group on Economic Recovery (AGER)'s report have been published, as well as the final report of the National Taskforce on Human Rights Leadership.²³ While AGER's report was not well gendered, it does touch on unquestionably gendered areas: employment, skills, enterprise and entrepreneurship, education, care, and macroeconomics. Although gender was not systematically integrated, the Social Renewal Advisory Board's report offers a somewhat more gender-focused perspective on recovery, including recommendations to integrate equality and human rights budgeting in the Scottish Budget process and extend participatory budgeting,

¹⁶ As set out in Annex B of the EFSBS 2021-22

¹⁷ This position is shared in the analysis of Dr Graham Long, who notes that the NPF's alignment with the UN Sustainable Development Goals is weak when it comes to gender equality and its indicators. Long (2019) The SDGs and Scotland: a discussion paper and initial analysis

¹⁸ These are the gender pay gap and the difference between women's and men's labour market participation rates (called 'organisational gender balance').

¹⁹ Scottish Government (2019) Equality National Performance Framework Dashboard

²⁰ Engender (2017) Engender Submission to the Budget Process Review Group Consultation

²¹ Engender (2021) Our vision for a feminist recovery

²² Social Renewal Advisory Board report (2021) If not now, when?

²³ National taskforce for human rights (2021) National taskforce for human rights: leadership report

“so that communities of place and identity have more say on how public money is spent.”

These frameworks create opportunities to ensure that recovery is focused on those groups, including women and especially women from further marginalised communities, who have been at the sharp end of the pandemic. The limitations of existing mechanisms to advance equality have been made highly visible in the crisis, and women have been impacted disproportionately by decisions made at almost every level.²⁴ We cannot afford for recovery to make the same mistakes. The crisis has reinforced the limits of existing gender mainstreaming duties on Scottish public sector actors. Impact assessments were haphazardly produced, minimal, or drafted in retrospect.²⁵ The Coronavirus (Scotland) Act requires the Scottish Government and its agencies to have due regard to opportunities to advance equality and eliminate discrimination when using emergency powers, however there is no evidence that this provision has been utilised.

As a result, women’s equality has been set back years, with women further from the labour market, undertaking increased unpaid care work and facing ongoing and further income instability. While gender budgeting is not limited to anti-poverty measures there is a clear and valuable role in applying a gender lens to areas within the committee’s pre-budget scrutiny mandate. The following sections summarise some of the available evidence relevant to women’s equality that we suggest must be considered setting of in the forthcoming budget. However, the lack of cumulative impact assessment to inform budget scrutiny continues to undermine effect engagement and evidence from organisations.

We suggest that there is need for the committee:

- To systematically consider how spending decisions and revenue-raising cumulatively impact on women, men and structural gender inequality;
- To raise the issue of lacking intersectional gender-sensitive and sex-disaggregated data in its scrutiny of budget processes at every opportunity;
- To take stock of the rollback on women’s equality and rights as a result of the pandemic and advocate for budgetary decisions that address this;

²⁴ Engender (2021) Vision for a feminist recovery: Engender manifesto for the Scottish Parliament election 2021

²⁵ Engender (2020) Submission of evidence to the Equality and Human Rights Committee inquiry on the impact of COVID-19 pandemic on equalities and human rights

- To consider how to build sufficient capacity on gender budget analysis within government and across parliamentary committees;
- To consider how committees can improve coordination on Budget scrutiny so that a comprehensive assessment of women's equality can be responded to in spending and allocation decisions.

3. PRIORITIES FOR THE DRAFT SCOTTISH BUDGET 2022-23

Scrutiny of the Draft Budget 2022-23 must take stock of the egregious impact of the Covid-19 pandemic on equality, including for diverse groups of women. A rollback on women's rights and equality is widely recognised,²⁶ with specific issues manifesting for Black and minoritised women, young women, disabled women, unpaid carers, mothers, pregnant women, LGBT women, and women with insecure immigration status, amongst other marginalised groups of women. Allocation of resources across budget portfolios must proactively seek to address this. The issues set out here are by no means exhaustive, but demonstrate the sorts of conditions for women that the Budget needs to respond to mitigate and prevent even more widescale poverty for women.

3.1. The persistent inadequacy of social security

Poverty is a highly gendered phenomenon, and the UK Government's 'welfare reform' programme has exacerbated this.²⁷ By 2021-22, 59% of the cumulative social security cuts will have come from women's purses.²⁸ The design of social security in Scotland and the UK has profound implications for women's capacity to be in paid work and women are more likely to receive Universal Credit while in employment.

Recourse to social security has rocketed as a result of operating restrictions on employers due to the pandemic - despite furlough – and escalating volumes of unpaid work. A temporary increase to the Standard Allowance element of Universal Credit worth £20 has been insufficient to compensate for years of the benefits freeze²⁹ - a policy that has especially egregious impacts for lone parents, nine in ten of whom are

²⁶ See Engender and Close the Gap websites for reports and briefings on COVID-19 and different aspects of women's equality, e.g. https://www.engender.org.uk/content/publications/1594974358_Gender--unpaid-work---the-impact-of-Covid-19-on-womens-caring-roles.pdf; <https://www.engender.org.uk/content/publications/Gender--Economic-Recovery---Engender-and-Close-the-Gap.pdf>

²⁷ UK Government (2019) National Statistics Households below average income: 1994/95 to 2017/18.

²⁸ WBG (2018) Social Security Briefing. Available at: <https://bit.ly/2CzJ0vv>.

²⁹ Joseph Rowntree Foundation (2020) Autumn Budget - why we must keep the £20 social security lifeline

women.³⁰ The refusal by the UK Government to retain the uplift at a time of sharply rising costs poses significant threat to poverty rates – one estimate suggests that 220,210 households with children in Scotland will have their income cut by £1040 a year as a result.³¹

Rates of Universal Credit applications doubled over the course of 2020³² and as a result, significantly more families are now exposed to aspects of the ‘welfare system’ such as the two-child limit, five-week wait and single household payment³³ all of which have severe consequences for women’s human rights and poverty levels. CPAG and the Church of England have claimed that an additional 60,000 families could be affected by the two-child limit; the vast, vast majority of those most affected will be mothers.³⁴ The very idea that women can predict their life-long circumstances when considering the size of their families has always been without credit, and this has been starkly highlighted by the pandemic.

Women are currently 88% of applicants for devolved direct-application social security payments in Scotland.³⁵ However, there remains a critical question about the extent to which Scotland has used devolved social security to respond to the needs of women and to minimise the impact of these highly gendered aspects of UK welfare design. Social security in Scotland is underpinned by the principles of the Social Security (Scotland) Act 2018, including dignity, fairness and equality. These principles are not suspended because of increased demand or need of its services, nor in times of crisis.

³⁰ EHRC (2018) The cumulative impact of tax and welfare reforms

<https://www.equalityhumanrights.com/sites/default/files/cumulative-impact-assessment-report.pdf>

³¹ CPAG (2020) Keep the Life Line – A Call to Cancel the Cut to Universal Credit Debate Briefing

³² UK Government stat-xplore (2021) Starts to Universal Credit. Available at:

https://statxplore.dwp.gov.uk/webapi/openinfopage?id=UC_Starts.

³³ Sefton, T., Monk-Whinlanley, R. and Howes, S. (2020) No one knows what the future can hold

³⁴ Sefton, T, Monk-Whinlanley, R and Howes, S (2020) No one knows what the future can hold. Available at:

<https://cpag.org.uk/sites/default/files/files/policypost/No-one-knows-what-the-future-can-hold-FINAL.pdf>. 5 circumstances when considering the size of their families has always been without credit, but the pandemic has clearly shown its impossibility.

³⁵ Social Security Scotland client diversity and equalities analysis to November 2020

Available at:

<https://www.gov.scot/binaries/content/documents/govscot/publications/statistics/2021/03/social-security-scotland-client-diversity-and-equalities-analysis-to-november-2020/documents/social-security-scotland-client-diversity-and-equalities-analysis-to-november-2020/social-security-scotland-client-diversity-and-equalities-analysis-to-november-2020/govscot%3Adocument/Client%2Bdiversity%2Bto%2BNov%2B2020%2B-%2Bpublication%2Bv6.pdf>

Carer's Allowance

Currently 69% of Carer's Allowance recipients are women³⁶ and 60% of applicants for the Young Carers Grant are female.³⁷ Just over half (55%) of people entitled to Personal Independence Payment (PIP) in Scotland are women.³⁸ We have also seen a significant fall in PIP assessments from the start of the pandemic,³⁹ something that will not only mean disabled women's income is reduced, but also potentially exclude their carers from receiving Carer's Allowance (CA). 36% of CA claimants are entitled to CA but do not receive a CA payment.⁴⁰

Any additional payments have been ad hoc and offer little certainty to individuals, failing to be an adequate response to recipients' well-evidenced needs. This is in spite of 21% of carers reporting spending more as a direct result of Covid-19.⁴¹ The long awaited consultation on a devolved Carer's Assistance must be an opportunity to revisit the staggeringly low rates of financial support for carers and narrow eligibility framework.⁴² In the long term, Engender advocates for an income equivalent to (at least) the Real Living Wage, which properly recognises care's social value and the effect on carers' lives of suspending or restricting their paid work in order to care for disabled and older people.

³⁶ Social Security Scotland (2020) Client diversity and equalities analysis to May 2020. Available at: <https://www.gov.scot/publications/social-security-scotland-client-diversity-and-equalities-analysis-to-may-2020/>.

³⁷ Scottish Government (2020) Summary statistics for Carer's Allowance at February 2020 and Carer's Allowance Supplement, April eligibility date 2020. Available at: <https://www.gov.scot/binaries/content/documents/govscot/publications/statistics/2020/08/carers-allowance-at-february-2020-and-carers-allowance-supplement-to-april-eligibility-date-2020---statistics2/documents/carers-allowance-at-february-2020-and-carers-allowance-supplement-to-april-2020---statistics/govscot%3Adocument/CA%2Bto%2BFeb%2B2020%2Band%2BCAS%2Bto%2BApr%2B2020.pdf>.

³⁸ Scottish Government (2021) Summary statistics for Personal Independence Payment at July 2021. Available at <https://www.gov.scot/publications/personal-independence-payment-at-july-2020-summary-statistics/>

³⁹ UK Government (2021) Personal Independence Payment: Official Statistics to July 2021. Available at: <https://www.gov.uk/government/statistics/personal-independence-payment-statistics-to-july-2021/personal-independence-payment-statistics-to-july-2021#what-you-need-to-know>

⁴⁰ Scottish Government (2021) Social Security Scotland Equality, Poverty and Social Security Update September 2021. Available at: <https://www.gov.scot/publications/social-security-for-scotland-update-september-2021/>.

⁴¹ Carers UK (2020) Written Evidence Submitted by Carers UK Available at <https://committees.parliament.uk/writtenevidence/18290/pdf/>

⁴² Scottish Parliament: Official Report, The Cabinet Secretary for Social Security and Older People (Shirley-Anne Somerville) 8 January 2020. Available at: <https://www.parliament.scot/parliamentarybusiness/report.aspx?r=12446&i=112493&c=2228371&s=Carer's%20assistance>.

Survivors of domestic abuse

Current 'welfare' and social security policy fails to meet victim-survivors' needs and undermines their rights by enabling perpetrators to more easily misuse and control resources.⁴³ Women also report the ways in which it places them in an impossible choice between poverty for them and their children or remaining with a perpetrator and continuing abuse. Restricted access to bank accounts, the five-week wait for support, the two-child limit and the risk of notification of a new claim before they have left an abusive partner are all repeatedly raised by women as reasons to remain or return to an unsafe home.⁴⁴ Women leaving abusive partners is currently one of the groups most likely to utilise the Scottish Welfare Fund, but there is a lack of specific information for local authorities on meeting their needs within the current SWF Guidance.⁴⁵

Women with children

Increased demand for Universal Credit also means increased demand for Scottish Social Security. The new Scottish Child Payment (SCP) represents a radical investment and game changing tool for the Scottish Government's child poverty ambitions. Although the SCP is not subject to the Benefit Cap nor to the two-child limit, its impact is however clearly reduced by their existence. Research has shown that women are more likely to act as 'poverty managers' for their household, going without to ensure that others' needs are met. Decades of research has also shown that targeting social security such as Child Benefit at primary caregivers – still overwhelmingly women – leads to marked increase in spending on children's needs.

However it is disappointing that the SCP reflects an ongoing trend towards 'familialisation' of social security where eligibility is determined by household income rather than individual need. The design of the UK's 'welfare' system denies partners in a couple equal access to an independent income that meets individual needs through the single household payment of Universal Credit. Action at Scottish Government level to introduce individualised payments has been slow. The focus on household level

⁴³ Women's Budget Group (2019) Benefits or barriers? Making social security work for survivors of violence and abuse across the UK's four nations. Available at: <https://wbg.org.uk/wp-content/uploads/2019/06/Benefits-or-barriers-4-nations-report.pdf>.

⁴⁴ CPAG Early Warning System (2019) Social Security and Domestic Abuse. Available at: <https://cpag.org.uk/welfare-rights/resources/article/social-security-and-domestic-abuse>.

⁴⁵ Scottish Government (2019) Scottish Welfare Fund Statutory Guidance May 2019. Available at: <https://www.gov.scot/binaries/content/documents/govscot/publications/advice-and-guidance/2019/05/scottish-welfare-fund-statutory-guidance-2019/documents/scottish-welfare-fund-statutory-guidance-2019/scottish-welfare-fund-statutory-guidance-2019/govscot%3Adocument/scottish-welfare-fund-statutory-guidance-2019.pdf>.

income leads to hidden poverty within households especially for women and children, reinforces outdated gender roles and aggravates the risk of domestic abuse.

3.2 Overstretched and underfunded social care services

The provision of unpaid and social care in Scotland is also highly gendered. Women are the majority of social care service users,⁴⁶ the majority of unpaid carers, and the vast majority of the social care workforce - accounting for 85% of employees across the sector and up to 96-100% in particular subsectors.⁴⁷ This means that spending on social care impacts significantly on women's physical and mental health and wellbeing, labour market participation, and income inequality, and has ramifications across a range of Scottish Government's strategic objectives and commitments regarding gender equality.

There is no question that the social care system is in urgent need of reform. Scotland's social care sector is facing unprecedented levels of challenge from multiple directions. Decades of underfunding and understaffing have led to a service unprepared not only for existing demand, but for emerging issues including the aging population and the unknown impacts of Brexit on staffing availability.

This is broadly recognised and has resulted in the Feeley review and current consultation on a National Care Service (NCS). However, immediate and significant investment in social care is critical and cannot wait five years until a NCS is established and operational. Indeed, the specific context of the coming months amplifies the need for investment in both the underpaid social care workforce and the unpaid carers that are propping up the dysfunctional care system. Work by Glasgow Disability Alliance has shown a marked reduction in social care packages during lockdown,⁴⁸ partly as social care support has been withdrawn due to chronic issues with recruitment and staffing. The low pay and poor conditions that characterise the social care sector have contributed heavily to this. This in turn led to an increase in the number of unpaid carers in Scotland by 392,000 to 1.1 million, 61% of whom are women.⁴⁹ 78% of carers have seen their care roles intensify and have had to provide more care than prior to the coronavirus outbreak. Disabled women have had to rely on neighbours, relatives, or 'simply no-one' to meet intimate personal care needs.⁵⁰

⁴⁶ 75% of social care clients are aged 65 or more, of whom 67% are women

⁴⁷ Scottish Social Services Council (2018) Scottish Social Service Sector: Report on 2017 workforce data

⁴⁸ Glasgow Disability Alliance (2020) GDA's Covid-resilience engagement and response: Interim report

⁴⁹ Carers UK (2020) Carers Week 2020 Research Report.

⁵⁰ Glasgow Disability Alliance (2020) GDA's Covid-resilience engagement and response: Interim report

Meanwhile, work by the Commission on Gender Equal Economy⁵¹ highlights the importance of investing in care as vital infrastructure. This showed that investment of 1% of GDP in the care sector would produce 2.7 times as many jobs in the economy overall as an equivalent investment in construction:

“These jobs would be generated not only in care (or construction), but also in industries that supply the care (or construction) sector, and those that supply the goods and services that care (or construction) workers buy. Investment in care would also reduce the gender employment gap, as more women would be likely to be employed in the sector, and would also be more in line with Scotland’s climate change commitments, as investing in care is three times less polluting per job created overall than equivalent investment in construction.”

3.3 A widening gender gap in unpaid work

The closure of schools and restrictions on formal and informal childcare led to a marked increase in childcare and domestic work. This is not distributed equally; research shows that over the first lockdowns in the UK, US and Germany, regardless of whether they were also doing paid work, women spent six hours providing childcare and home-schooling every working day while fathers provided around four.⁵² Mothers doing paid work from home are interrupted over 50% more often than fathers. The incompatibility of paid work and home-schooling or childcare has seen mothers withdraw from paid work. Mothers in paid work previously averaged 73% of the hours worked by fathers, but this has fallen to 68%.⁵³

Meanwhile, Health and Social Care Partnerships increased their eligibility criteria for social care, reducing access,⁵⁴ thus offsetting the responsibility for provision of care for disabled and older people back to the household. It is vital that the economic value of unpaid work, estimated as equivalent to 56% of GDP in the UK,⁵⁵ is recognised.

Due to the high cost of childcare, 25 percent of parents living in absolute poverty in Scotland have given up work, a third have turned down employment due to inaccessible and unaffordable childcare, and a further 25 percent have not been able

⁵¹ *ibid*

⁵² A. Adams-Prassl, T. Boneva, M. Golin and C. Rauh, (2020) Inequality in the Impact of the Coronavirus Shock: Evidence from Real Time Surveys.

⁵³ A. Andrew et. al. (2020) How are mothers and fathers balancing work and family under lockdown?

⁵⁴ The ALLIANCE (2020) Response to the Equalities and Human Rights Committee inquiry on the impact of Covid-19 pandemic on equalities and human rights.

⁵⁵ Gender Equal Economy (2020) Creating a Caring Economy: A Call to Action

to take up education or training.⁵⁶ The mandate for provision of increased funded childcare (to 1140 hours) was paused until August 2021⁵⁷ creating significant uncertainty and further disrupting parents' plans for paid work. Reduced income across the sector risks increased fees, which will make childcare even more unaffordable, or reduced services, additionally risking the jobs of an overwhelmingly female workforce. While the furlough scheme belatedly enabled employers to support employees' caring roles, 71% of working mothers have been refused it.⁵⁸

Furthermore, while the increase in free hours is an extremely positive development, Engender believes this is insufficient. It would not enable women to work fulltime – if that is their aim - and is often insufficiently flexible.⁵⁹ We call for the expansion of funded childcare to 50 hours of universal, flexible, culturally competent childcare per week,⁶⁰ in line with other women's organisation and the National Advisory Council on Women and Girls.⁶¹

3.4 Labour market inequality

Due to occupational segregation, women are overrepresented in certain sectors which are undervalued and low-paid.⁶² Women account for 60% of workers earning less than the Living Wage,⁶³ therefore receiving only 80% of their usual salary through the Job Retention Scheme may push these women into poverty. Sectors where women's employment is concentrated, including retail and hospitality, have been most significantly affected by closures and disruption. Four in ten of those working in retail and wholesale are paid less than the real Living Wage⁶⁴ and 80% of people working in hospitality reported that they were struggling with their finances before the Covid-19 lockdown.⁶⁵

⁵⁶ Save the Children. (2017). Soaring Childcare Costs Push Parents out of Work in Scotland.

⁵⁷ Scottish Government (2020) Early Learning and Childcare expansion.

⁵⁸ TUC (2021) Working Mums Paying the Price. London.

⁵⁹ Audit Scotland (2018) Early Learning and Childcare

⁶⁰ <https://www.engender.org.uk/content/publications/Vision-for-a-feminist-recovery---Engender-manifesto-for-the-Scottish-Parliament-Election-2021.pdf>

⁶¹ <https://onescotland.org/wp-content/uploads/2021/03/2018report.pdf>

⁶² Close the Gap (2020) Disproportionate disruption: The impact of COVID-19 on women's labour market equality.

⁶³ <https://scottishlivingwage.org/international-womens-day-lets-talk-about-low-pay-by-lynn-anderson-living-wage-scotland/>

⁶⁴ Resolution Foundation (2020) Risky Business. Available at:

<https://www.resolutionfoundation.org/publications/risky-business/>

⁶⁵ IPPR (2020) COVID-19: What's the outlook for Scotland's workforce? Available at:

<https://www.ippr.org/blog/outlook-for-scotlands-workforce-furlough-job-losses>

Young women and Black and minorized women's employment is especially concentrated in these areas. While the government furlough scheme⁶⁶ has successfully prevented high levels of redundancies, women are more likely to be furloughed and for longer periods of time⁶⁷ and it is too early to say how the ending of furlough will impact on women's employment. There are additional concerns over how furlough has been used, as 21% of BME women report feeling that they were unfairly selected compared to 1% of white women.⁶⁸

The widespread introduction of flexible working and working from home particularly benefits disabled women and women who provide care and childcare. However flexible working alone is not enough to respond to how women are situated in the economy. Scotland's gender pay gap remains stubbornly high at 10.0%⁶⁹ and now one in four women are considering downshifting their career or leaving the workforce entirely due to the pandemic.⁷⁰ The high cost and insufficient availability of childcare remains a significant barrier to women's ability to work, study and train, with inconsistencies in flexible childcare quality leading many women to reduce hours or leave their job even before the pandemic.

Evidence has also shown that the majority of key workers with the highest exposure to the virus are women, working in often low-paid and increasingly precarious jobs such as care, childcare, nursing and retail. Although this group of workers, in which Black and minoritised women are overrepresented, are essential to a successful pandemic response, they are undervalued, underpaid, and under-protected.⁷¹

4. GENDER AND CHILD POVERTY

The Scottish Government will need to take significant action to address women's poverty and wellbeing if it hopes to meet the child poverty targets set out in the Child

⁶⁶ See more at UK Government 'Claim for wages through the Coronavirus Job Retention Scheme'. Available at: [gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme](https://www.gov.uk/guidance/claim-for-wages-through-the-coronavirus-job-retention-scheme)

⁶⁷ Close the Gap (2021) One Year On: How COVID-19 is Impacting on Women's Employment in Scotland.

⁶⁸ Engender and Close the Gap (2021) Briefing on the Impact of Covid-19 on Women With Childcare Responsibilities in Scotland.

⁶⁹ Close the Gap (2021) Gender Pay Gap Statistics. Available at:

closethegap.org.uk/content/resources/Working-Paper-22---Gender-Pay-Gap-Statistics-2021.pdf

⁷⁰ Women in the Workplace (2020), McKinsey and LeanIn.Org. Available at: [mckinsey.com/featured-insights/diversity-and-inclusion/women-in-the-workplace](https://www.mckinsey.com/featured-insights/diversity-and-inclusion/women-in-the-workplace)

⁷¹ Close the Gap (2020) Disproportionate Disruption: The impact of Covid-19 on women's labour market equality

Poverty (Scotland) Act 2017.⁷² In responses to a survey regarding lockdown and home schooling by the Child Poverty Action Group, 94% of parent/carers were women compared to 5.5% of men, and statistical evidence backs up the ways women describe the distribution of roles in their homes at this time.⁷³ Because of women's greater provision of primary caregiving and gendered norms surrounding unpaid work and household management, women's incomes remain a critical factor in child poverty.

The literature on parents living in poverty demonstrates that mothers are trapped in a vicious circle. The 'stress of managing poverty can have a damaging impact on mothers' physical and mental health, which in turn adversely affects their morale and overall well-being'⁷⁴ and leads to a 'struggle to do their best by their children and to protect them from the worst effects of poverty'.⁷⁵ The evidence we have outlined above demonstrates that in 2021 women's incomes are increasingly perilous.

The Child Poverty Delivery Plan 2018-2022 contained welcome commitments to expand early learning and childcare provision. In the now nearly 20 years since the Equal Opportunities Commission outlined that policies which neglect to consider the realities of women living in poverty were destined to fail,⁷⁶ we continue to see inadequate gender mainstreaming which would ensure that a gendered perspective ran through policy.⁷⁷ While we welcome the national mission to tackle child poverty and the role of binding targets in driving cross-government coordination, creative policies must also be conscious of the role of caregiving, still overwhelmingly provided by women. It is also vital to consider the distribution of finances within households. Access to resources remains a fundamental component feature of women's inequality and income and other resources are often not equally controlled or distributed.⁷⁸

⁷² Scottish Government (2020) Tackling Child Poverty Delivery Plan Second year progress report 2019-20. Available at: <https://www.gov.scot/binaries/content/documents/govscot/publications/strategy-plan/2020/08/tackling-child-poverty-delivery-plan-second-year-progress-report-2019-20/documents/tackling-child-poverty-delivery-plan-second-year-progress-report-2019-20/tackling-child-poverty-delivery-plan-second-year-progress-report-2019-20/govscot%3Adocument/tackling-child-poverty-delivery-plan-second-year-progress-report-2019-20.pdf>.

⁷³ Child Poverty Action Group (2020) The Cost of Learning in Lockdown: family experiences of school closures. Available at: <https://cpag.org.uk/policy-and-campaigns/report/cost-learning-lockdown-family-experiences-school-closures>.

⁷⁴ Women's Budget Group. (2005).

⁷⁵ Women's Budget Group. (2005).

⁷⁶ Bradshaw, J., Finch, N., Kemp, P., Mayhew, E. & Williams, J. (2003). Gender and Poverty in Britain. Manchester: Equal Opportunities Commission. Available at: <http://dx.doi.org/10.1017/S1474746403001246>

⁷⁷ For further information on gender mainstreaming see: Engender (2020) What works for women: improving gender mainstreaming in Scotland

⁷⁸ Joseph Rowntree Foundation. (2014). Poverty through a gender lens: Evidence and policy review on gender and poverty.

The current Child Poverty Delivery Plan (Every Child, Every Chance: Tackling Child Poverty Delivery Plan 2018 – 2022) explicitly recognises that women’s poverty is also inextricably interlinked with child poverty. Aspects such as investment in the key infrastructure of care and childcare, social security that supports women’s equality and interventions to enable women to access and remain in paid work for an adequate income are all critical to avoid women’s poverty as part of a recovery agenda. However this must be done with an expressly gendered perspective. For instance, the Delivery Plan acknowledges the important role of fair work, however work by Close the Gap has demonstrated that we remain some distance from realising fair work for women.⁷⁹

Systemic barriers to economic resources are amplified for Black and minoritised women, disabled women, younger women and refugee women. Many of these women experience racism, discrimination and stereotyping in the labour market and have seen disproportionate rates of unemployment, debt, insecurity and discrimination in the pandemic.⁸⁰

Increased investment in social security can create demand in local economies, enables the building of community wealth and can support climate aspirations. Long-term benefits of such investment, such as children’s and women’s health and wellbeing, should be included in any assessment of spending allocation. Gender budgeting can therefore be a vital tool to support Scotland’s child poverty goals. The next Delivery Plan, due for publication in 2022, must also maintain a strong focus on women’s access to incomes and labour market equality.

4. CONCLUSION

Gender budgeting will be critical to the success of Scotland’s cross-party commitments to respond to the inequalities deepened by the pandemic. The Budget remains a critical tool to advance equality objectives, albeit one that has not yet been maximised and is currently undermined by the lack of supporting data. Despite longstanding commitments to the principles of equality budgeting and gender budgeting, the development of tools and structures that will enable comprehensive gender budget analysis throughout budget processes remains a work in progress.

Women are experiencing a sharp rollback in equality, increased volumes of unpaid care and disproportionate interference with their labour market access as a direct response to measures instituted during the pandemic. All of these add to an already

⁷⁹ Close the Gap (2021) The Gender Pay Gap Manifesto

⁸⁰ Engender and Close the Gap (2021) Joint briefing on the impact of COVID-19 on women’s wellbeing, mental health, and financial security

highly gendered experience of poverty in Scotland, with inevitable consequences for women's wellbeing and opportunities but also for their children. Therefore, throughout its pre-budget scrutiny, as well as its broader work, we are calling on the Committee:

- To systematically consider how spending decisions and revenue-raising cumulatively impact on women, men and structural gender inequality;
- To raise the issue of lacking intersectional gender-sensitive and sex-disaggregated data in its scrutiny of budget processes at every opportunity;
- To take stock of the rollback on women's equality and rights as a result of the pandemic and advocate for budgetary decisions that address this;
- To consider how to build sufficient capacity on GBA and human rights budgeting within government and across parliamentary committees;
- To consider how committees can improve coordination on Budget scrutiny so that a comprehensive assessment of women's equality can be responded to in spending and allocation decisions;
- To examine available analysis on a gender equal recovery from the pandemic in its scrutiny of the forthcoming Budget;
- To recommend that the Budget includes investment in income support, labour market access, care and childcare with an explicitly gendered focus.

FOR FURTHER INFORMATION

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ABOUT US

Engender is Scotland's feminist policy and advocacy organisation, working to increase women's social, political and economic equality, enable women's rights, and make visible the impact of sexism on women and wider society. We work at Scottish, UK and international level to produce research, analysis, and recommendations for intersectional feminist legislation and programmes.