



Engender response to the UN Independent Expert on Foreign Debt and Human Rights call for evidence on the impact of economic reforms and austerity measures on woman's human rights

I. INTRODUCTION

Since 2010, the UK Government has pursued an austerity agenda and programme of 'welfare reform', which will result in a total of £82 billion of cuts to the social security budget by 2020.¹ This is having an egregious impact on women's access to resources, security and safety, and therefore on gender equality and women's human rights.

Over the decade of austerity, from 2010 to 2020, 86% of net 'savings' raised through cuts to social security and tax credits will come from women's incomes.² This is because of systemic issues that see women twice as dependent on social security as men. In the UK, women are twice as likely to give up paid work in order to become unpaid carers, and women provide around two thirds of unpaid care within the household and wider community. 92% of lone parents are women, and women make up 95% of lone parents in receipt of Income Support.³ Meanwhile, the pay gap for women working part-time persists at 32%, and on average women earn £182.90 per week less than men.⁴

This economic inequality infringes on women's basic human rights. Lack of economic independence, exacerbated by austerity, is both a cause and consequence of violence against women. And diverse groups of women in the UK are now at greater risk of deeper and sustained poverty. For instance, by 2020, women who are lone parents will experience an estimated 20% drop in living standards and a 17% drop in disposable income.⁵ Where women's income is reduced child poverty increases.

¹ WBG (2015) *The impact on women of the Autumn Statement and Comprehensive Spending Review 2015*

² WBG (2016) *The impact on women of the 2016 Budget: Women paying for the Chancellor's tax cuts*

³ Engender (2016) *Securing Women's Futures*

⁴ Latest statistics for Scotland; Close the Gap: <https://www.closesthegap.org.uk/content/gap-statistics/>

⁵ WBG (2016) *A cumulative impact assessment of ten years of austerity policies*

Austerity also creates further barriers to women's full participation in society, including within community and political spaces.

Many women who experience multiple inequalities are even more at risk from inadequate social security. Disabled women, older women, black and minority ethnic women, rural women, and refugee women are all impacted by policy changes in particular ways.

For years, Engender has worked with women and women's organisations in Scotland to provide evidence on how the UK Government's economic reform policies are breaching women's human rights, and to lobby for policy change.

We are very pleased to present some of this evidence here. Our response mainly focused on social security policy, as well as provision of social care, violence against women and legal aid services in the UK.

2. RELEVANT ANALYSIS OF THE IMPACT OF ECONOMIC POLICY REFORMS ON WOMEN'S ENJOYMENT OF HUMAN RIGHTS, INCLUDING GENDER EQUALITY

2.1 Care services

Between 2010 and 2015, the UK Government cut local government funding by over 50%. This was slashed by a further 30.6% in the 2017-18 annual budget.⁶ Local government in the UK is responsible for a wide range of services upon which women rely on every day, including social care. Austerity measures mean that:

- Spending on social care for older and disabled people has fallen by 11% in real terms
- Local authority social care budgets were cut by £5 billion between 2010 and 2015
- There are currently 1.8 million people over 50 with unmet care needs⁷

This has a significant impact on gender equality. Women are the majority of social care service users, care sector employees, and unpaid carers in the home and in the community. Women's human rights to health, security, work and an adequate standard of living are therefore being undermined.

⁶ Runnymede Trust (2017) *Intersecting Inequalities: The impact of austerity on Black and Minority Ethnic women in the UK*

⁷ WBG (2017) *Social care: a system in crisis*

For instance, the crisis in social care means that carers are less able to enter into the labour market or education. This entrenches poverty in households with care needs, and harms carers' wellbeing. Meanwhile, workers in the care sector are low-paid and experience poor job security. In 2016, around 25% of workers were on precarious 'zero hour contracts',⁸ and 85-95% of jobs providing direct care and support in the UK are held by women.⁹

2.2 Social security

Universal Credit

The UK Government is in the process of replacing six income replacement, parental and housing social security entitlements, with a single household payment.¹⁰

'Universal Credit' aims to increase incentives to enter the labour market and to simplify the social security system. In practice, however, it discriminates against women and undermines gender equality in the following ways:

Income level

- Universal Credit is projected to increase women and children's poverty by the time it has been fully implemented by 2022. It is the cornerstone of a set of wider social security reforms, by which women will lose more than twice the income that will be lost by men, an average of £940 and £460 per year respectively.¹¹
- Black and minority ethnic (BME) households, households with one or more disabled members, and female-headed households with children are more also more severely impacted by these cuts. BME and disabled women have even less access to resources than their male counterparts due in part to structural inequalities and discrimination.¹²

Sanctions and conditionality

- Universal Credit is accompanied by a punitive regime of sanctions and conditionality. This places intense pressure on applicants to participate in

⁸ ibid

⁹ The King's Fund: <https://www.kingsfund.org.uk/projects/time-think-differently/trends-workforce-overview>

¹⁰ These are Income Support, Jobseeker's Allowance, Employment Support Allowance, Housing Benefit, Working Tax Credit and Child Tax Credit

¹¹ EHRC (2017) *Distributional results for the impact of tax and welfare reforms between 2010-17*

¹² Engender (2016) *Securing women's futures*

employability activity which may not be compatible with caring roles and other realities of women's lives, including the experience of domestic abuse.

- Lone parents are particularly affected by these rules, and are often forced to work in low-paid jobs that are below their skill or qualification level. They therefore face a negative impact on earnings, progression and the welfare of their children.
- Lone parents with young children are also being forced to undertake mandatory work activity at an earlier stage. However, current childcare provision is insufficient to meet the needs of these women, guaranteeing that some will therefore be subject to sanction, financial insecurity and extreme stress.

Single payment structure

- The payment structure of Universal Credit is discriminatory and regressive.¹³ The household payment will be paid to one individual, which is likely to reduce women's access to an independent income.¹⁴ Assumptions that couples own, access and control joint bank accounts on an equal basis are unfounded.
- Without economic autonomy for women, we risk returning to the 'male breadwinner model' which prioritises men's employment, traps women in the domestic sphere, and creates huge imbalances of power within households. It increases the likelihood of financial dependency and control, and places women and their children at increased risk of domestic abuse.
- Women who face multiple inequalities across society, including disabled, minority ethnic and refugee women are at particular risk of increased harm from policies that undermine women's access to resources, such as Universal Credit.

Unpaid care: women with children

Between 2015 and 2020, mothers in the UK are set to lose a total of £13bn of social security payments.¹⁵ This is in addition to austerity measures targeted at women in children taken forward in the 2010 – 2015 parliament. This signifies an attack on

¹³ Engender (2016) *Gender Matters in social security: Individual payments of Universal Credit*

¹⁴ Universal Credit is still in the process of being fully rolled out, but work by Women's Aid and other women's organisations shows that women are horrified by the prospect of this policy

¹⁵ House of Commons Library (2016), spreadsheet accessed via http://www.yvettecooper.com/osborne_s_cuts_will_leave_mothers_13bn_worse_off_over_the_course_of_this_parliament

women's unpaid work and the value of care. In turn, this has a knock-on effect on many older women, who are stepping in to provide childcare for grandchildren.

Austerity measures include:

Benefits freeze¹⁶

- Most working age benefits and tax credits, including child benefit and child tax credit, have been frozen since 2016 despite a current inflation rate of 3%. This is set to continue until 2020 and means a projected 12% loss of income for households with children.¹⁷ It will reduce access to childcare for low-income families and lock mothers of young children out of opportunities in education and employment.

'Family cap'

- Child elements of Universal Credit have been limited to two children, unless any further children are conceived as a result of rape. This is a grotesque policy that polices low-income women's reproductive rights. It means an annual average loss of £2800 per 'additional' child, and it will push 200,000 children into poverty by 2020.¹⁸
- Given the inextricable links between child poverty and maternal poverty, the impact on women is clear. The policy will also have a disproportionate impact on minority ethnic and refugee women who are more likely to have three or more children.¹⁹

Child tax credit

- The family element of child tax credit, worth £545 per year, has been scrapped. This is a disincentive for second earners to seek employment, most of whom are women.

Benefit cap

- The annual cap on household benefits was lowered to £20,000 per year in 2016. It extends conditionality to households that are unable to undertake paid work, including lone parents with very young children. Whilst those on working tax credits are exempt from the benefit cap, those undertaking

¹⁶ Social security entitlements are widely called 'benefits' in the UK, including in policy terms

¹⁷ The Children's Society (2016) *The future of family incomes: How key tax and welfare changes will affect families to 2020*

¹⁸ Child Poverty Action Group (2017) *Broken promises: what has happened to support for low-income families under Universal Credit*

¹⁹ Engender (2016) *Securing women's futures*

unpaid care work in the home are not. Between 2013 and 2017, 63% of those affected were lone parents.²⁰

Maternity benefits²¹

- Between 2010 and 2014 cuts to maternity benefits amounted to £1.5bn per year.²² This has a particularly harsh impact on lone parents, women from certain minority ethnic communities, refugee women, unpaid carers and disabled women, all of whom are more likely to experience relative poverty.
- In addition to poverty risks, increasing financial pressure on couples with young children also reduces the likelihood of men taking up paternity leave, reinforcing gender inequality in parenting.

Unpaid care: Women as carers

Across the UK, £1bn will have been cut from carers' incomes between 2011 and 2018.²³ This is in a context where Carer's Allowance is already set at the lowest rate for any income replacement benefit, amounting to only 25% of the minimum wage.²⁴ This reflects the value that the UK government places on carers, their contribution and therefore women's work.

Women are twice as likely as men to give up paid work in order to care, and four times as likely than men to have multiple caring responsibilities.²⁵ The following policy changes therefore have a hugely disproportionate impact on women carers:

Cuts to disability entitlements

- Over half of the cuts to social security between 2010 and 2015 fell on disabled people and their families. A majority of those in receipt of disability related payments are women.²⁶
- Women are impacted by spending on disability issues as carers for disabled and ill people, and as under-paid care professionals whose incomes will be affected by changes to Personal Independence Payments. Thousands of carers have also lost linked entitlements.

²⁰ DWP (2017) *The estimated impact of the benefit cap on parents, by youngest child*

²¹ Maternity benefits are payments targeted at pregnant women and mothers of children up to 12 months old

²² Maternity Action (2014) *Valuing families? The impact of cuts to maternity benefits since 2010*

²³ Carers UK (2014) *Caring and Family Finances Inquiry: Carers struggling with alarming levels of hardship*

²⁴ The Scottish Government will raise this by £10.40 per week from April 2018

²⁵ Carers UK and Employers for Carers (2012) *Sandwich Caring Combining childcare with caring for older or disabled relatives.*

²⁶ Scottish Government (2015) *Social security for Scotland: Benefits being devolved to the Scottish Parliament*

Earnings disregard

- A low earning disregard²⁷ within Carer's Allowance often acts as a financial disincentive for carers to take up paid work where this is possible.

Triple jeopardy

- The 'triple jeopardy' of austerity that sees women suffer as service-users, public sector workers, and recipients of social security, has specific implications in terms of care. Tightened eligibility criteria, and increased charges and cuts to social care have reduced access to many crucial support services, and women's jobs within the care sector have been lost or affected by public pay freezes. The likelihood of additional childcare responsibilities for many women compounds this even further.

Sanctions

- Not all carers in receipt of Universal Credit are exempt from conditions related to job seeking. They are therefore subject to damaging sanctions, adding yet further stress and anxiety to their lives.

2.3 Eradication of gender-based violence against women

Since 2010, 17% of refuge accommodation for women escaping domestic abuse in England have been forced to close their doors due to lost government funding. At present, a third of all referrals to refuges are turned away, an average of 155 women and 103 children a day.²⁸ Recent economic reform policies which endanger women's safety include:

- Plans to remove refuge accommodation from the social security system entirely were announced in 2017. At present housing benefit pays for over 50% of refuge funding. Women's Aid has warned that 39% of refuges would not survive this cut to their income.²⁹
- Restricted access to income replacement and housing benefits for EU migrants is also placing women at heightened risk of domestic abuse. Women in this situation are not able to access the support needed in order to leave an abusive partner.

²⁷ The 'earnings disregard' is income exempt from total amounts used to calculate social security entitlements.

²⁸ Runnymede Trust (2017) *Intersecting Inequalities: The impact of austerity on Black and Minority Ethnic women in the UK*

²⁹ Women's Budget Group (2017) *A chancellor tinkering at the margins: WBG response to the Autumn Statement 2017*

- The household payment structure of Universal Credit exposes women to financial and physical abuse, undermining their ability to escape an abusive relationship.

2.4 Legal aid, access to justice and remedies

Legal Aid

The UK Government's austerity programme has included cuts of £350 million to Legal Aid support for private family, housing, welfare, debt, employment, immigration, and clinical negligence cases in England and Wales.³⁰ These reforms have led to a 46% drop in legal aid,³¹ and signify an extreme barrier to women's access to justice.

Women are significantly more likely to be in need of civil legal aid,³² and there have been particularly damaging implications for women seeking justice without third party representation in cases of domestic abuse. As a result of public pressure, the restrictions for survivors of domestic abuse were lifted in 2017.

A new requirement for a residence test was also announced, which would obstruct access to justice for those with insecure immigration status, and those resident in the UK for under 12 months. The residence test is currently under legal challenge, and has been judged to be in breach of the European Convention on Human Rights.³³

Employment Tribunals

In 2013, fees of up to £950 were introduced for employment tribunal cases in England, Scotland and Wales. By 2015, the number of equal pay claims had dropped by 70% and sex discrimination cases had dropped by 87%. Given that the overwhelming majority of claimants in these categories are women, this policy change is exacerbating gender inequality, discriminating against women, and breaching women's human rights.

³⁰ Legal aid is devolved to Scotland and Northern Ireland, where these reforms have not been implemented.

³¹ Amnesty International (2016) *Cuts that hurt*

³² EHRC (2016) *Legal Aid reforms and access to justice*

³³ Article 14 (prohibition in the enjoyment of rights) read with Article 6 (the right to a fair trial)

3. CONCLUSION

The UK Government's ten year programme of austerity and cuts to public spending are having a severe impact on women and on gender equality in the UK. As a result of structural gender inequality, women have less access to resources, security and safety than men, and are therefore twice as reliant on social security payments from the state. This safety net is meant to recompense women for the billions of pounds worth of their unpaid care work that props up the national economy, and ensure that they have access to income in order to fulfil their basic human rights.

However, since sweeping reforms to social security have been implemented, and budgets for social care, violence against women and legal aid services have been slashed, women have been at increased risk of harm. With much of the impact still to be felt, there are grave concerns that women's human rights, including rights to security, health, education and an adequate standard of living, will be further undermined, and progress towards gender equality compromised even further.

For further information:

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About Engender:

Engender has a vision for a Scotland in which women and men have equal opportunities in life, equal access to resources and power, and are equally safe and secure from harm. We are a feminist organisation that has worked in Scotland for 25 years to advance equality between women and men.