

# The impact of cuts on women

Anna Bird argues that women will be disproportionately affected by the cuts.

Across the UK today, inequality between women and men is alive and kicking. Despite huge leaps forward in tackling the gender gap over the past 30 years that have seen women enter the workplace in large numbers, there is more to be done to ensure that women are not denied their right to economic equality and independence.

Women still earn and own less than men, are far more likely to live in poverty, remain responsible for the majority of childcare and domestic work, and are under-represented in parliament, public life and at the top table of business. Men still make up

the majority of MPs, judges and board members.

Against this backdrop, the Fawcett Society believes that the Coalition Government's plans to tackle the deficit, risk not only halting but in many areas reversing hard won progress on women's equality in the UK.

Our analysis has found that women face a triple jeopardy of job losses, benefit cuts and the expectation that they will fill the looming 'care gap'.

## Public sector cuts

When it comes to employment, twice as many women as men are

set to lose their jobs as a result of cuts in the public sector workforce. Some 40 per cent of women working in the UK today are employed in this sector – they make up 65 per cent of the public workforce overall. Moreover, they are concentrated in the low-grade, low-paid jobs most likely to be cut as councils, hospitals and social care services pass on budget cuts. The best 'guesstimate' for the number of jobs set to go in this sector over the course of this spending round is circa 500,000 – meaning more than 300,000 women will lose their livelihoods.

The cuts have barely begun, but the number of women claiming Job Seekers Allowance is already at a 15 year high. Taking jobs away from anyone, woman or man, is devastating for that person and their family, but the scale of job losses across the female workforce will undermine women's already precarious financial security.

There is much hope pinned on the idea that the private sector will grow, offering employment to the many thousands who find themselves



Photo courtesy of Kim McMahon

pushed out of public sector work, but those women lucky enough to find alternative employment in business are not likely to get the same pay, conditions and promotion prospects as in their previous roles. The average gap in pay between women and men in the private sector stands at 20.5 per cent, almost double that of the public sector. For many women, working in the public sector was a deliberate choice because this sphere has historically been more progressive when it comes to policies that enable employees to combine work and family life: flexible hours policies are less common in the private sector, for example. In terms of climbing the career ladder, women still face a glass ceiling – able to see those making decisions, but not able to join them: almost 9 out of 10 of the seats on British boards are filled by men, for example.

### Benefits

The government's changes to tax and welfare policy are also hitting women hard – the 'emergency budget' of June 2010 contained drastic changes to the benefits system. Our analysis, that of the Women's Budget Group and the House of Commons Library has shown that more women than men rely on the kinds of benefits being capped or cut, such that women will bear the brunt of cuts in this area.

In purely cash terms the skewed effect means that of the £8 billion pounds worth of savings made through cutting the welfare bill, some £5.8 billion – roughly two thirds – will come from women's incomes.

For example, because one million more women than men claim housing benefit, including many single mothers at risk of poverty, capping this will hit women hardest. Similarly, the abolition of the universal Health in Pregnancy Grant

and restricting the Sure Start Maternity Grant to the first child only, a benefit for low-income mothers, will disproportionately impact on women.

In addition, freezing child benefit and abolishing the baby and infant elements of the child tax credit payment will mean more money coming from women's pockets to pay down the nation's debt.

In terms of the bigger picture, the real value of the benefits women do get will decrease over time. This is because the indexation of benefits, tax credits and public service pensions will be linked to the Consumer Price Index rather than the Retail Price Index as has previously been the case.

Many of these individual fiscal measures will do a great deal of harm, but add them all together and the effects are disastrous.

### Filling the gap?

Women access public services more intensively and more frequently than men. For example, their greater life expectancy brings with it greater risk of illness and so a greater need for the NHS, as does pregnancy.

In addition, women still do the bulk of informal caring in the UK – for children and elderly relatives. They often rely on the support of social services or child care support to manage these responsibilities, and juggle them alongside paid work.

This means that the rollback of public services will typically impact on women more severely than on men. The services they rely on for themselves are dwindling, while the services that play a vital role in enabling women to combine

personal and professional responsibilities are also disappearing. As the 'gap' between demand and supply grows wider, women will be expected to plug the hole, shoehorning additional responsibilities into often already overstretched lives. For many, the

cumulative effect of these measures will present a real challenge to working outside the home. In financial terms, spiraling child care costs combined with shrinking wages, for example, will leave some

women thinking that they are better off out of the formal workforce altogether.

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### Where does that leave us?

While the government has done what it can to portray tackling the country's debt as something we must all shoulder together, the reality is that some in the UK will be worse affected than others. Women are acting as shock absorbers for the cuts, squarely in the firing line when it comes to job losses, capped benefits and the rollback in vital public services.

The Fawcett Society is concerned that the combined effect of this kind of economic approach will be to roll back women's rights a generation. Far from fighting to further our cause, we are now forced to defend what rights and equality women have won so far. ■

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