

Spending review won't win women over

The Chancellor chooses investment in a huge roads programme but his spending review will still leave millions of women on the road to precarious employment and poverty

1. The Chancellor has not prioritised the services most vital to women. Local Government provides services that are crucial to women and funding for many women's organisations but its budget has been cut by a further 10%. At the same time he has found enough money to avoid cuts to the defence budget. The Department for Culture, Media and Sport faces a cut of 7% but 'elite sport' has been protected with no indication that community sports will receive similar treatment. He says he has protected NHS spending but has made no allowance for health service costs rising faster than inflation and the increased demand of an ageing population and a rising birth-rate. His previous commitment to protect the NHS has not prevented the destruction of thousands of nurses' jobs.
2. The Chancellor announced £50bn investment in infrastructure projects but once again priority has been given to physical infrastructure – investment in new roads, two rail links and in guarantees for new nuclear plants. He made no mention of new investment in social infrastructure such as care for children and frail elderly people, which would create more new jobs - especially for women - than construction, would respond to urgent and expanding social need and would provide a larger stimulus to the economy.
3. The Chancellor says every job loss in the public sector is offset by three created in the private sector. So why is this not reflected in economic growth? It can only be because the new jobs are lower paid, more precarious and part-time when rising costs of living and stagnant wages mean most people need full-time employment. And yet he announces further public sector job cuts, which will mean yet more women pushed into low quality jobs. For those who stay in the public sector, loss of pay progression will harm the lowest paid workers and entrench existing gender pay inequalities.
4. Yet further changes will be introduced to the social security system to make cuts of over £350m a year. Most troubling is the plan to make the unemployed and precariously employed wait seven days before giving them access to Universal Credit which is expected to save £250m a year. This is just another way to take money from those who need it most. It will hit women - especially those with young children - particularly hard since they are often the ones in low-paid, insecure jobs. In a context where the majority of children are already expected to be living below the Minimum Income Standard by 2015¹, this can only make matters worse.

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¹ <http://www.tuc.org.uk/tucfiles/549/BleakFutureForFamilies.pdf>

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The Women's Budget Group is a network of over 200 academics and activists. For more information, please visit www.wbg.org.uk or contact Amy Watson (admin@wbg.org.uk), WBG Coordinator.