

Press Releaseⁱ

Jobs for the boys and again women pay

Women's unemployment is at a 23 year high, but in his Autumn Statement the Chancellor proposes jobs for the boys. Investment in physical infrastructure and the Youth Contract are welcome initiatives to get people back into work. But how is the government going to improve the likelihood that the new jobs generated will go to women as well as men? The proportion of women who are engineers has gone up from just 6% to 8% in last 20 years. And there is a large gender gap in employment and pay in the private sector.

Increased spending on childcare for two year-olds is welcome, as is the recognition that this is investment in the future. However the £380 million spent of childcare 2014-15 is small compared with the £6.3 billion to be spent on physical infrastructure.

The Chancellor's announcement on the extension of public sector pay restraint will be disproportionately affect women. Already, 73% of those affected by the public sector pay freeze are women and they are now being asked to wait another two years before their incomes can rise again in real terms.

The tax and benefit changes reinforce the unfair impact on women and poorer households of this government's previous budgets: these include not implementing the real rise in the real level of the child element of the child tax credit promised in the last budget. Ironically the amount saved by this last measure (£975 millions) is exactly the same in 2012-13 as the amount the Chancellor, again buckling to pressure, is giving away in fuel duty, which WBG analysis has shown benefits women far less than menⁱⁱ.

The Treasury's distributional analysis shows that the very richest are taking the biggest hit, but beyond that those in the poorest households lose the most from the cumulative impact of those spending, tax and benefit changes (Chart 1.E).

Again, the Treasury has not published a Gender Impact Assessment of its Autumn Financial Statement. This is required if the full impact of the Government's plans are to be assessed. The WBG strongly urges the Government to address women's unemployment, low pay and incomes.

ⁱ The UK Women's Budget Group is a network of over 200 academics and activists. For more information, please contact, Amy Watson, the Coordinator of the UK Women's Budget Group. By email at admin@wbg.org.uk or by phone at 075 7623 5554

ⁱⁱ Jerome De Henau and Cristina Santos (2011) 'Gender analysis of the changes in indirect taxes introduced by the coalition government, 2010-2011', WBG