

Press Release, 19 March 2014

A BUDGET FOR THE MAKERS, DOERS AND SAVERS – BUT WHAT ABOUT THE CARERS?

Despite the economic recovery, the Chancellor announced the continuation of cuts to public services. He made no money available for investments in social infrastructure such as social care and childcare. He did announce a subsidy for out-of-pocket childcare costs for families earning up to £300,000 a year, but there was nothing to regulate the childcare market, nor control childcare prices. The measure will disproportionately help higher income groups while failing to resolve problems of adequate supply of quality childcare.

In contrast, The Chancellor announced further investment in physical infrastructure. He particularly emphasized measures to encourage house building, but did nothing to ensure this would increase the supply of houses at affordable rents. This is a policy for home owners, a group in which women are underrepresented. By failing to expand and invest in social housing, the Chancellor fails to address the needs of people who are most dependent of social housing, who are predominantly women.

Raising the threshold for income tax to £10,500 will do nothing to help all the women whose earnings are already below this threshold. It will help all the people whose earnings are above this threshold, particularly since the higher rate threshold will also be raised. The majority of the gains from these income tax measures will go to people in the upper half of the income distribution, the majority of whom are men.

There were further tax giveaways through freezing the fuel duty and duties on some alcohol, and cutting the beer duty. These tax reductions disproportionately benefit men. The money that the Chancellor has given away in tax reductions and tax allowances could have been invested in public services and in maintaining adequate levels of benefits for carers.

One measure that we do welcome is the announcement that pensioners will no longer be forced to buy annuities. This particularly helps women who are at a disadvantage in the annuities market.

However, overall the budget has nothing to ensure that the economic recovery will support gender equality.

‘The Chancellor claimed this was a budget for ‘makers, doers and savers’ but many women are not benefitting from new job opportunities and their incomes are not increasing. The Chancellor has a blind spot about women. What women need is the opportunity to combine paid work with unpaid care – the single most important thing the Chancellor can do is invest in high quality public services which would both create jobs for women and support them with care.’

Claire Annesley, WBG Management Committee member

ENDS.

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NOTE: An in-depth analysis and a short briefing paper on the impact of the 2014 Budget will be published by Women's Budget Group on Thursday 3rd April 2014.

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 Rosalind Worsdale (admin@wbg.org.uk) WBG Coordinator