

Women and low income households again paying for the Chancellor's tax cuts

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Only three days after research by the Women's Budget Group showed that those on the lowest incomes – the majority of whom are women – would lose five times as much as the richest households,¹ the Chancellor has again delivered a budget that sees women and disabled people paying for his tax cuts.

Commenting on the Budget, Dr Eva Neitzert said:

“The Chancellor claims this is a budget for the next generation. Yet his policies will condemn many more children, and the women who care for them, to poverty and risks placing our health, education and care services in crisis.

“This social infrastructure is vital to not only ensuring we are all secure in our everyday lives, but also fundamental to our economic future. Our research shows that investing 2% of GDP in care will create twice as many jobs as the same investment in construction, and has greater economic benefits than continued austerity.² Yet the Chancellor continues to see investment only in terms of roads and railways.

“Once more we saw the Chancellor announce a series of tax cuts, which will mainly benefit men. These will be paid for by further cuts to essential services and to benefits that many disabled people rely on. A further £2 billion will come from public sector pensions, again disproportionately impacting women who are the majority of public sector employees.

“The Chancellor claims to want to encourage saving but at the same time is undermining the incomes of the poorest, many of them women, through universal credit. At a time when evictions are going up because people cannot pay their rent,³ these measures to encourage saving show just how out of the touch the Chancellor is.

“We are disappointed that the government has again failed to carry out an adequate impact assessment of the Budget. Our analysis of announcements up to the Autumn Financial Statement showed that the lowest income households and women would be hardest hit. Female lone parents and female single pensioners stand to see living standards drop by an average of 20% every year by 2020.

“The long term economic plan has failed on its own term, as well as for women. This Budget is a missed opportunity to shore up Britain's future and make a real difference to those who have paid a disproportionate price for austerity.”

¹ <http://wbg.org.uk/latest-policies-of-the-conservative-government-to-be-more-regressive-than-those-of-the-coalition/>

² <http://wbg.org.uk/new-study-shows-that-investing-2-of-gdp-in-care-industries-could-create-1-5-million-jobs/>

³ <http://www.theguardian.com/money/2016/feb/11/tenant-evictions-highest-level-england-wales-ministry-of-justice>

ENDS.

For further comment or media requests, please contact:

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The Women's Budget Group will be publishing a comprehensive gender assessment of the Budget on Thursday 7th April.

The Women's Budget Group is a network of over 300 leading academics and policy analysts. For more information, please visit www.wbg.org.uk or contact Eva Neitzert (admin@wbg.org.uk), WBG Head of Development and Coordination.