

PLAN F: A FEMINIST ECONOMIC STRATEGY FOR A CARING AND SUSTAINABLE ECONOMY

For real economic recovery that benefits the majority of people in the UK and reverses the damage caused by the cuts to public services and social security introduced since 2010, we need a different economic strategy.

The *UK Women's Budget Group*, together with the *Scottish Women's Budget Group*¹, propose PLAN F, a long term feminist economic plan to invest in creating a *caring and sustainable economy* – and to fund it by measures such as cancelling plans for a new Trident submarine, ending tax giveaways that benefit better-off men much more than low income women, and cracking down on aggressive tax avoidance and evasion.

A caring and sustainable economy is based on mutual support and respect for rights. It is oriented to the broad and inclusive aim of improving our well-being in ways that reduce inequalities, not only today, but also for future generations. It prioritises care for people and for the planet.

Policies required

- **Reverse cuts to public services and social security** that have had particularly adverse impacts on women, such as cuts to Sure Start Children's Centres, and reduction of care for the frail elderly, and the introduction of the bedroom tax and the benefits cap.
- **Reform plans for Universal Credit** to ensure that women with employed partners gain from earning - as it stands the payments made will be reduced at a higher rate than under tax credits if they start earning. The arrangements for payment should be changed so that not all the money goes to one person in a household - something that may hinder women from leaving an abusive relationship.
- **Invest in social infrastructure**- care, health, education and training services, social security and housing, complemented by investment in renewable energy and environmentally friendly public transport. This would improve both well- being and productivity, both in the short run but also in ways that persist over time, benefiting people not only today but in years to come.
- **Improve the terms and conditions of work for the paid work force who staff the social infrastructure** (among whom women are the majority), both those directly employed in the public sector and the increasing numbers employed by subcontractors in the private sector. This would lead to better quality care.
- **Strengthen worker's rights throughout the economy.** A large proportion of new jobs are part-time or zero-hours which mean people are earning so little that they cannot meet their living costs. This contributes to a rise of in-work poverty, a rise in the cost of in-work benefits, and a loss of dignity and security. All workers, regardless of type of contract should

¹ The UK Women's Budget Group and the Scottish Women's Budget Group are independent of government and political parties. They produce analysis of government spending plans, budgets and policies to promote a better understanding of the impact of government decision making on women and to improve the quality of that decision making so that public resources are allocated for the benefit of all. Further information is available at www.wbg.org.uk and www.swbg.org.uk.

enjoy basic rights, including collective bargaining rights. The minimum wage must be raised to a level that ensures a decent living.

- **Ensure access to affordable care**, best achieved through care that is both publically funded and provided - for children, for people with illnesses and disabilities, as well as for frail elderly people.
- **Improve support for people - currently mainly women - who provide unpaid care in families and communities.** Men should also be supported to contribute more to unpaid care, for instance through well-funded care leave schemes and a reduction in full-time working hours.
- **Create a social security system that aims at fairer sharing of caring and the costs of caring-** both between women and men and between families and the wider community; and provides adequate independent income for all over the life course.
- **Increase investment in social housing and in insulating homes.** An affordable home for all is central to a caring economy. However, support for access to housing has been concentrated on subsidies to enable people to buy a house and payment of housing benefit which simply ends up in the hands of private landlords.

How to pay for Plan F

- **In part it would pay for itself-** our Plan F would increase employment *and* average weekly earnings, and thus generate more revenue from income tax and national insurance and save money on social security.
- **Deciding not to commission a replacement for the Trident nuclear submarine system** would save £100 bn over the next 30 years².
- **Reversing tax reductions introduced by since June 2010** would save billions. The rise in the threshold for personal income tax costs around £12 bn a year from 2016/17³ onwards, and this benefits only those who pay tax, 57% of whom are men. It does not benefit those with incomes below the tax threshold, 63% of whom are women⁴. Corporation tax cuts cost around £7.9billion a year from 2015/16⁵.
- **Taking effective action on tax debt, avoidance and evasion** is estimated to be able to bring in almost £120 billion a year⁶.

It's not that there is no money- but that resources are not being mobilized for an economic strategy that values care. We challenge politicians to adopt Plan F to bring about equality between women and men on the basis of a caring and sustainable economy.

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² CND, People not Trident, <http://www.cnduk.org/information/briefings/trident-briefings/item/1861-people-not-trident-the-economic-case-against-trident-replacement>

³ Paul Johnson, IFS Budget Analysis 2014: Introductory remarks http://www.ifs.org.uk/budgets/budget2014/opening_remarks.pdf

⁴ UK Women's Budget Group, Budget 2014-Giveaways to Men Paid for by Women. <http://wbg.org.uk/wp-content/uploads/2014/03/Budget-Briefing-2014.pdf>

⁵ Helen Milner and Thomas Pope, 2015, Corporation Taxes and Challenges, IFS Briefing Note BN163 <http://www.ifs.org.uk/uploads/publications/bns/BN163.pdf>

⁶ Richard Murphy, The Tax Gap, 2014 <http://www.taxresearch.org.uk/Documents/PCSTaxGap2014.pdf>