

Women stand to lose twice as much as men by 2020 as a result of changes to tax and benefits and cuts in public spending

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New modelling by the Women's Budget Group examining the impact of tax/benefit and public spending changes since 2010 on men and women's living standard finds that cumulatively by 2020:

- **Women lose out more than men across all income deciles** and, on average, **overall women lose twice as much as men** as a proportion of their living standard
- **Women in the bottom 30% of the household income distribution stand to lose between 18 and 20% of their living standard** by 2020.
- **Lone mothers (90% of lone parents) stand to lose 19%** of their individual living standard and female single pensioners up to 17% (compared to male single pensioners 11%)
- Drastic cuts to social care and health spending in real terms are the main contributors to the impact on single female pensioners
- For lone mothers, cuts to school budgets and the introduction of Universal Credit account for the bulk of the loss.

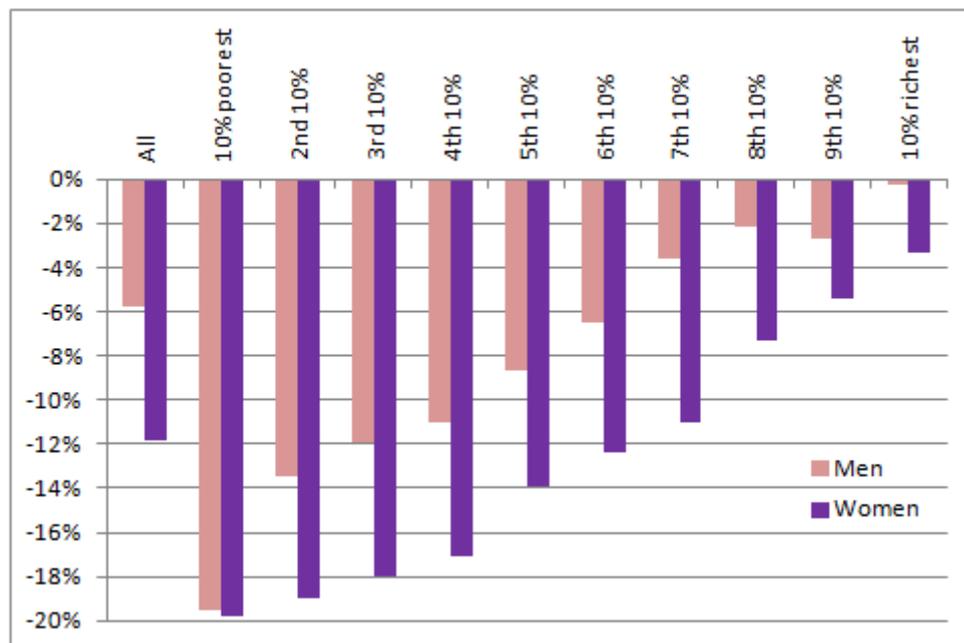


Figure 1: Percentage cumulative cuts 2010-2020 as a result of tax-benefits and public spending changes as a proportion of individual living standards by income decile group and gender

Commenting on the findings, Dr Neitzert said:

“The evidence is clear: women, especially those on low incomes, have shouldered the largest burden of austerity measures. Overall, women stand to lose twice as much as men by 2020 and for those on the lowest incomes this means a cut in living standard of between 18 and 20 percent.

“These results come just days after the Women and Equalities Select Committee described HM Treasury’s Equalities Analysis as ‘insubstantial and lacking in detail’ and documented the repeated refusal of Ministers to engage with the Committee. This begs an obvious question: are the HM Treasury and its Ministers deliberately seeking to hide these inconvenient truths?

“The Treasury has a legal obligation under the Public Sector Equality Duty to have due regard to the impact of its policies on equality but it doesn’t seem keen to do this in any meaningful way. Women’s Budget Group has repeatedly shown that such an analysis is technically possible. There are no excuses: if the HM Treasury wants to understand the impact of its decision-making on different groups in society, the tools and methodologies are there.

“It may be that under a new Chancellor the Treasury will be more forthcoming about the equality impact of this year’s Autumn Financial Statement. We certainly hope that Phillip Hammond will heed the Women and Equalities Committee’s call for greater transparency from the Treasury.

“Given the reluctance by the previous Chancellor, however, the Women’s Budget Group will again be analysing the impact of the AFS announcements on different groups. For the first time, we will be partnering with race equality thinktank, the Runnymede Trust, to provide a breakdown of the winners and losers by income, ethnicity and race, gender and disability”

Notes

The modelling uses the Landmann Economics simulation tool to analyse the impact of tax/benefit and public spending changes against a baseline of policies in place prior to the Coalition government taking office in 2010. Results are for England only. Living standard refers to the sum of an individual’s cash income and the value of public services they use. The model accounts for all changes up to, and including, the 2016 March budget.

The Women’s Budget Group will be responding to the Autumn Financial Statement on the day and publishing its distributional impact assessment jointly with the Runnymede Trust on Friday 25th November.

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