

## **Osborne's recovery is an illusion, women still feel the pinch**

George Osborne claims Britain's economy is on the up, but people are still struggling to cope with low wages, a rising cost of living, and a dramatic decrease in social security. Women are feeling the pinch more than most, and the Autumn Financial Statement does little to alleviate the pain.

Women's unemployment has fallen by less than 4% since 2011, half as fast as men's (9%). Real earnings are not recovering; instead they have continued to fall for both men (0.4 % for gross hourly earnings) and for women 0.7%. Progress on closing the gender pay gap has also stalled.

Yet again the Chancellor has focussed only on investment in physical infrastructure and said nothing about investing in care services for children, elderly, and disabled people. Making long-term investment plans in social infrastructure is just as important for the long-term health of the country. The cuts in spending continue with a further £3 billion over the next three years.

The £700m given away on the married couples tax allowance would be better spent on elsewhere. Only 18% of families with children will benefit from this measure. This money will go to the higher earner, the vast majority of whom are men, which will worsen income inequality within married couples.

Professor Diane Elson, chair of the Women's Budget Group, said: "The chancellor talks of recovery but it doesn't feel like it to most people with real earnings still falling. The Autumn Financial Statement does nothing to ensure a recovery that supports gender equality"

The WBG's Sue Himmelweit said: "Transferable Tax Allowances are a bad idea and we are concerned to hear the Chancellor plans to build on them. Money given away on the married couples tax allowance would be better spent on real social priorities. One of these would be to extend help with unaffordable childcare costs to the lowest earners among families on Universal Credit, a measure that would cost just £200m."

ENDS.

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NOTE: An in-depth analysis of the impact of the Transferable Tax Allowances will be published by Women's Budget Group on Saturday 7th December 2013.

The Women's Budget Group is a network of over 200 academics and activists. For more information, please visit [www.wbg.org.uk](http://www.wbg.org.uk) or contact Amy Watson ([admin@wbg.org.uk](mailto:admin@wbg.org.uk))  
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