

'A missed opportunity to build a country that works for everyone': Women's Budget Group publishes comprehensive assessment of Autumn Statement

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FOR IMMEDIATE RELEASE

Theresa May became Prime Minister in the wake of the EU referendum which had revealed a deeply divided country. She pledged to build a country and economy that 'works for everyone', and the Chancellor affirmed those aspirations in his Autumn Statement address.

Publishing its comprehensive assessment of the Autumn Statement today, the Women's Budget Group argues that the Autumn Statement is a missed opportunity to begin that task:

- **Women and those on low incomes continue to shoulder by far the greatest burden of tax and benefit changes and cuts to public spending since 2010**, with black and minority ethnic women facing a triple disadvantage. The measures announced in this Autumn Statement, including the reduction in the UC taper rate, are insignificant when set against the backdrop of these cuts. By 2020, Black women in the poorest third of households stand to lose £1,926 a year as a result of tax and benefit changes since 2010. Asian women will lose £2057 a year. In contrast white men in the richest third of the population will gain £79 a year.¹ Lone mothers are set to lose £3860 in net income and £4860 in the value of services they receive, a loss of 18% of their living standards per annum by 2020.
- **Social care is in crisis, failing those in need of care and those who provide it, whether paid or unpaid.** There are approximately 1.86m people over the age of 50 in England (1 in 10) with unmet care needs; most of them are women. In the Autumn Statement, the Chancellor had an opportunity to use his infrastructure investment to deliver a new settlement for care. This investment in the social infrastructure would not only, as the Women's Budget Group has shown, provide for unmet care needs but deliver economic returns that exceed those from comparable investment in construction.
- **Alongside social care, health and school budgets are under pressure from rising demand and inflationary pressures.** In real terms, per pupil school funding is set to fall by the greatest amount of any Parliament since data began and the Health Service is struggling to meet growing demands for which insufficient funding has been provided. This impacts on the quality of education and health services and puts pressure on the mainly female workforce and, again, the Autumn Statement did not provide a comprehensive response to these challenges.
- **The Treasury and Chancellor again failed to provide an adequate assessment of how the Autumn Statement impacts on different groups.** Such analysis must be an essential component

¹ For a summary of the WBG cumulative analysis, see here: http://wbg.org.uk/wp-content/uploads/2016/12/AFS2016_Briefing_WBG.pdf

of the decision-making process when setting policies that aim to build a country that ‘works for everyone’.

Dr Eva Neitzert, Director of the Women’s Budget Group, commented:

“The Chancellor’s welcome commitment to spending on infrastructure could have provided an opening for addressing both the country’s stretched social infrastructure – our schools, health service and care system – and its productivity challenge. His decision to direct investment at physical infrastructure and continue to privilege tax giveaways for the better off over restoring essential benefits to the poorest is at odds with the promise to build a country that ‘works for everyone’.

“This is nowhere more evident than with the universally acknowledged crisis in social care. There are now an estimated 1.86m people over the age of 50 in England with unmet care needs. Yet the Autumn Statement provided no additional funding to a sector that is at breaking point. Worryingly, since the Autumn Statement, there have been suggestions that the funding shortfall could be plugged with further rises in council tax. Yet this risks entrenching inequalities further as the poorest areas, which also have the highest care needs, will need to raise additional monies from a local population that can least afford it. Women, who are more likely to be in need of care and the providers of paid and unpaid care, will continue to be hit hard while the government ignores this urgent crisis.

“We are also disappointed that the Chancellor and HM Treasury have again failed to provide systematic evidence of how different groups in society are impacted by the measures that were announced. This is despite the requirements of the Public Sector Equality Duty and a report last month by the Women and Equalities Select Committee which called on the government to be more transparent in its reporting of equality impacts.

“Our analysis shows that such an analysis is both technically possible and vitally important. Women and those on low incomes, particularly BME women, continue to shoulder the greatest burden of tax and benefit changes and cuts to public services since 2010. If the government is serious about building ‘a country that works for everyone’, then they must commit to making visible the impacts on different groups and redressing any adverse disproportionate effects, particularly on those who can least afford them.

Notes to Editors

1. The Women’s Budget Group (WBG) is an independent, not-for-profit think tank that has scrutinised the gender impact of social and economic policy decisions of successive governments for more than two decades.
2. Comprehensive assessment, including a cumulative impact analysis of the AFS by income, gender and ethnicity, is available here: <http://wbg.org.uk/analysis/afs-2016-full-response-from-the-womens-budget-group/>
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