

14 June 2016

FOR IMMEDIATE RELEASE

Rethinking austerity is overdue. It is a burning injustice that has hit women and ethnic minorities hardest.

Runnymede Trust and the Women's Budget Group have welcomed speculation on rethinking austerity. Previous economic analysis by the two organisations have found that austerity has hit the poorest women and ethnic minorities hardest of all.

Dr Omar Khan, director of the Runnymede Trust, said:

"The disproportionate impact of austerity on Britain's ethnic minorities and people on lower incomes is a burning injustice that is incompatible with a fair society.

"Economic analysis of all budgets and autumn statements since 2010, which we carried out alongside the Women's Budget Group, show that ethnic minority women in the poorest third of society are the hardest hit of all. They will be out of pocket to the tune of £2,000 per year by 2020.

"We welcome talk of rethinking austerity. Such a move is well overdue. We can only hope that this heralds a real change in direction and not merely a repackaging of existing tax and benefit decisions. We will be assessing the next budget very carefully for its impact on women and ethnic minorities."

As a result of tax and benefit changes made since 2010:

Black & Asian lone mothers will lose around **£4k** per year, by 2020

#GE2017

Ask your candidate:
How will you make sure there is adequate social security if we need it, particularly if there is economic uncertainty after we leave the EU?

www.ge2017forwomen.uk

Dr Mary-Ann Stephenson, Co-Director of UK Women's Budget Group, said:

“Rethinking austerity is long overdue. Women, and BME women in particular, have borne the brunt of seven years of cuts to public services and social security. These cuts have had a devastating impact on individuals and communities across the country, have increased inequality and have undermined the social infrastructure on which the economy depends.”

Our analysis has found that:

- Women are hit harder than men across all incomes groups, with BAME women particularly hard hit. Asian women in poorest third of households will be £2,247 worse off by 2020, almost twice the loss faced by white men in the poorest third of households (£1,159).
- White men in the richest third of households, by contrast, lose only £410. Black and Asian lone mothers stand to lose £3,996 and £4,214, respectively, from the changes, about 15 and 17% of their net income.
- Tax and benefit policies of this government are more regressive than those of the Coalition government, with men in the richest 50% of households actually gaining from tax and benefit changes since July 2015. Men in the 10% richest households are £564 better off.

For more information:

Contacts:

Lester Holloway, communications@runnymedetrust.org, 07525 413 139

Dr Eva Neitzert, eva.neitzert@wbg.org.uk, 07908 111 344

Dr Mary-Ann Stephenson, maryann.stephenson@wbg.org.uk, 07957 338582

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. The Runnymede Trust is a race equality think tank. See: www.runnymedetrust.org
3. The full assessment is available at: <http://wbg.org.uk/analysis/assessments/>