

# How does austerity impact women's human rights?

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The political opportunities of devolution and the creation of sub-national governments within the UK have resulted in significant divergence in policy content, instruments and discourse.

The Scottish budget process is the only one in the UK to produce an Equality Budget Statement which is also a rarity globally.

The Budget Review Process reporting in 2017 recommended a series of changes to the Scottish Budget process to reflect new and additional competences in taxation and other fiscal mechanisms. Recent changes have meant that the Scottish Budget has shifted from being an expenditure budget to a revenue raising and expenditure budget as 40% of Scotland's spending is now to be raised in Scotland through revenue raising measures such as SRIT – as well as facing increasing spending liabilities as social security benefits have been transferred and will ultimately have to be funded from Scotland.

The Scottish Budget has been under pressure as a result of reductions in spending at UK level as the core Scottish Budget, allocated through the Barnett formula, has been reduced. Decisions by the Scottish Government have seen significant reductions in local government spending through a combination of reduced allocations and allocations into joint delivery mechanisms such as the integrated joint boards and the Health and Social Care Partnerships.

At the same time, the Scottish Government has also sought to 'mitigate the worst excesses of the UK Government, through funding the offset of the 'bedroom tax', maintaining Council Tax Reduction discounts, introducing the Scottish Welfare Fund with crisis and community grants, and this year the establishment of a Scottish Social Security system. Under the Scotland Act 2016, 11 social security benefits were devolved to Scotland. Operational delivery of these benefits started in September with the Carers Allowance Supplement, and the Best Start Maternity Grant is due to come on stream shortly. The Social Security Agency has been established and opened for business in August 2018.

The Social Security Act Scotland is premised on the dignity and respect for the individual at its core. As a response to direct, lived experience of the social security system, assessments and sanctions, the Scottish Government has emphasised their commitment to social security as a right, an entitlement and a social good in which we all have a stake. It has also consistently presented this political commitment in the political capital to be gained from distinguishing itself from the particularly low bar on social justice that the Westminster parliament has become.

The Social Contract with the people of Scotland was the frame of the Budget 2018-2019, reinforcing the social justice and social inclusion credentials of the Scottish Government and its funding of social care, prescriptions, sanitary products, 'free' tuition, and so on. The political discourse is impressive. There is political commitment and leadership. The challenges then are less discursive perhaps than operational as there continues to be a low level of gender analysis and gender-informed policy

making. Some steps are afoot to improve that with, for example, the Gender Pay Gap Action Plan about to be launched, a series of initiatives under the Fair Work domain, and training and support for improved gender analysis in economic policy including the SNIB and FWDF which I am leading for WISE.

There are significant challenges facing the Cabinet Secretary for Finance as he finalises the Draft Budget to be presented on 12 December. Last year's budget was the first with Income Tax powers, the challenges of the tight tax base in Scotland present a particularly difficult circle to square. Of the 4.5 million working age adults in Scotland, only 2.5 million pay tax. That means we are a low wage or no wage economy with an incredibly tight tax base, within which there are 300,000 fewer women tax payers than men. 2 million workers are earning less than 12,000 per year or not earning from waged income at all.

These are some of the issues that within the Equality and Budget Advisory Group (EBAG) we have sought to address and build awareness within the budget process and improve the quality and level of engagement of gender analysis. There is opportunity to revitalise EBAG based on the recommendations of the Budget Review Group (BRG) which seek to extend and improve parliamentary scrutiny, including the equalities impact of budgetary decisions and policy outcomes. We are entering the first budget cycle to implement the BRG recommendations.

We do so with new information from a Scottish Human Rights Commission project on the human rights compatibility of the Scottish Budget process; considering the transparency and openness of the process, and the extent to which funding commitments address minimum core obligations on food, health and housing. This project, the results of which will be published early in 2019, along with learning from European and global examples of gender budgeting, and the essential analysis of the UK WBG, all inform the next stage of development for EBAG.

### Experiences in Europe

In our review of practice across Europe, looking at a range of development methodologies, legislative and non-legislative instruments; gender equality frames, social justice, community empowerment, efficient finance and policymaking – we found that austerity and reconfiguration of public finance is resulting in a politicising of budget processes and the policy space of the budget. This is furthermore a reconfiguration of the relationship between the citizen and the state and is increasingly, in the words of Antonella Picchio, **weaponising** the budget. Punitive and regressive measures introduced through the budget, the clearest example of which is the 'rape clause' exemption introduced by the UK Government in the 2015 budget. If any proof were needed of the relevance of budgets to the advancement of equality and human rights, this insidious example proves it. Budgets and public finance management processes that give effect to public policy decisions are wholly integral, and Juan Pablo's report and analysis, and the comments from his colleague Philip Alston, are important institutional and personal perspectives to reinforce our advocacy across the UK and internationally.