



CHALLENGES FOR 2021 AND BEYOND

Scottish Women's
Budget Group



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It is time for a gender equal economy in Scotland.

To achieve this action is needed to redress long-term inequalities, and build a better economy for everyone.

2021 must be the start of the recovery from Covid-19 but it's also the year when vital action is needed to tackle the climate emergency. As the path to recovery from Covid-19 is set it needs a positive direction, that takes courageous action towards creating a caring, wellbeing economy, to meet these twin challenges and re-envision what we value in our economy.

To achieve this, we've set six core challenges towards building a caring economy:

- **Build a feminist green recovery** – so that responding to climate change can tackle existing inequalities in Scotland
- **Invest in care** – to build a system that puts wellbeing at the centre and invests in the people who are supported by it and the care workforce
- **Transform the worlds of paid and unpaid work** – to provide time for both women and men to care
- **Create a caring social security system** – that provides people with a dignified safety net when they need it
- **Develop the tax system to promote fairness and equality** – using revenue raising powers to tackle inequality
- **Deliver gender mainstreaming in policy development** – putting theory into practice

Context for recovery

The Covid-19 pandemic and economic crisis have highlighted and sharpened existing inequalities within our society. Women, those belonging to minority ethnic communities and disabled people are economically the hardest hit by the crisis and the risk of deepening existing inequalities is high. As Scotland recovers from the health and economic impacts of COVID-19 and wrestles with the challenge of the climate emergency we must work together to dismantle structural inequalities.

Women have been on the frontline of the Covid-19 crisis, making up the majority of health and care workers and the majority of workers at high risk of exposure to Covid-19. But all too often in jobs that are underpaid and undervalued. Other sectors which have a predominantly female workforce, such as hospitality, have been harder hit by the impact of lockdown and ongoing restrictions of social distancing, with risk of unemployment or reducing working hours remaining high. Alongside

this, women have been faced with the dilemma of whether to continue to work or to look after their children.

Women are facing a rising tide of poverty. The challenge for 2021 and beyond is how to build a gender equal economy that prioritises care of one another and the environment in which we live. We call this a caring economy.

We are calling on politicians and policy makers to respond to our challenges and invest in an economy that cares.

BUILD A FEMINIST GREEN RECOVERY

As we recover from the crisis of Covid-19 we walk straight into the eye of another storm that has been growing in urgency over the years – the climate emergency. In a year when Glasgow will host the UN COP 26 Conference it's vital that Scotland turns its attention to a green recovery. One that recognises the challenges we face to tackle climate change and works toward net zero emissions, building in opportunity to tackle inequalities and create a green and just recovery.

There is much to be done to transition to a low carbon economy and an intersectional gendered analysis is a vital part of the planning process. Unless investment in much needed infrastructure change within housing, transport and construction, is based on gender analysis throughout the policy planning process it will widen existing labour market gender inequality and deepen existing gendered occupational segregation.

Core to tackling climate destruction is valuing life-sustaining livelihoods, including the care economy. This means a new deal for care workers whether in social care, unpaid care, childcare, teaching, or health care. These are low carbon jobs that have positive multiplier effects when accompanied with sufficient investment. They are also roles that are disproportionately carried out by women, showing that a green and just stimulus centred on care can be a strong lever for tackling inequality.

Our challenge to build a feminist green recovery

- **Incorporate a gendered analysis into the plans for transition to net carbon zero. This will enable policy makers to maximise the opportunities for poverty reduction that the transition presents;**
- **Skills focused policies should include measures to tackle occupational segregation to ensure that women benefit from the transition. This should include policies to retain qualified women in STEMM in the workforce¹, ensuring Scotland is well equipped to make the transition;**

1. The majority of qualified women leave the STEMM workforce after a short time. This represents a substantial loss of talent and skills in the precisely the sectors where Scotland needs to grow its workforce. <https://equatescotland.org.uk/about/the-issue/>

- **A portion of the Green Jobs Fund should be set aside to specifically support people from areas of socio-economic deprivation, women, lone parents, those belonging to minority ethnic communities, refugees, disabled people carers and young people to train for and get green jobs;**
- **Reimagine green jobs to include investment in care jobs.**

The green transition is an opportunity to tackle inequality and include everyone in a just transition. But this requires concerted effort to recognise the inequalities faced in our society and use the green transition as an opportunity to tackle them. The remaining challenges are all crucial elements to building a feminist green recovery.

INVEST IN CARE

Care work is overwhelmingly carried out by women and is a key sector in our economy. Yet, because it is overwhelmingly carried out by women, it is undervalued and has suffered from chronic underinvestment. This lack of investment must be recognised as both a cause and consequence of an unequal society.

Perceptions of care work have changed through the course of this pandemic. Highlighted as key workers, continuing to work while many other sectors of the economy had to be brought to a halt people across Scotland stood at their windows or on their doorsteps to clap for all carers. As we move forward this recognition must take on more substance than clapping on a Thursday evening.

If we turn our attention to childcare, women are twice as likely as men to have to take unpaid leave due to school closures or having to self-isolate with children². Prior to the crisis the high cost of childcare meant that 25% of parents living in absolute poverty in Scotland have given up work, a third have turned down a job, and a further 25% have not been able to take up education or training.³ These figures show that expansion of public childcare must continue, but in addition to protecting committed spend there must be more flexibility built into the system.

Our challenge to invest in care

- **Critical investment to be injected into Scotland's care sector immediately while longer-term reform and development is underway, social care and child care should be designated as key growth sectors within the recovery;**
- **Ensure Fair Work principles are delivered in social and child care settings to invest in workers and improve terms and conditions;**

2. Women's Budget Group (2021) <https://wbg.org.uk/media/press-releases/3-in-10-low-income-families-have-lost-hours-at-work-because-of-the-pandemic/>

3. Scottish Government (2020), Towards a Robust, Resilient Wellbeing Economy for Scotland: Report of the Advisory Group on Economic Recovery

- **Principled approach to developing a national care service that underpins development and delivery through a human rights approach, with a clear gender analysis in this highly gendered sector, funding care is seen as an investment, participation of service users and unpaid carers as crucial to design, local flexibility and universal access;**
- **Extend funded childcare entitlement equivalent to 50 hours a week with harmonisation of access to provision with maternity pay.**

Investment in the care economy, invests in our society and our economy, it invests in green jobs that in turn support local economies and communities.

TRANSFORM THE WORLDS OF PAID AND UNPAID WORK

During the Covid-19 crisis the reliance on unpaid care work has increased, with social care and support packages reducing, reduction in respite care and a closure of childcare and schools. Each one of these changes and closures has impacted women who already undertook the majority of unpaid care work. Prior to lockdown evidence showed that women undertook 60% more unpaid work than men⁴ and data from 2020 shows this trend being exacerbated, with women spending significantly more time than men on unpaid work overall.⁵ Lockdown has exposed the extent to which the economy relies on unpaid care work to function, yet continues to ignore it in all modelling, planning and policy.

The impact of additional unpaid work has a profound effect on women and their role in the economy and it reflects a wider challenge to the economy that existed before the pandemic. We need to transform the worlds of paid and unpaid work, this means redistributing the caring and unpaid work responsibilities between women and men, and between the family and the State. Crucial to this is the recognition of the important role unpaid work plays to the functioning of the economy. Tackling this as part of the Covid-19 recovery is an important step to building a gender equal economy.

Our challenge to transform the worlds of paid and unpaid work:

- 4. ONS (10 November 2016), 'Women shoulder the responsibility of unpaid work' (<https://bit.ly/2KBdnG9>)
- 5. ONE (December 2020) 'Time Use in Scotland 2020' Time use in Scotland 2020: ONS Online Time Use Survey - gender analysis - gov.scot (www.gov.scot)

- **Encourage greater uptake of shared parental leave through inclusion of best practice leave policies within the Scottish Business Pledge;**
- **Work in partnership to deliver a new social contract**

on Fair work that targets those most affected by the pandemic. Public, private and voluntary sector across Scotland to deliver fair wages through commitment to the real living wage and local and Scottish Government attach Fair Work criteria to all grants, contracts and funding as standard;

- **Principles for flexibility to care for children, older or disabled relatives to be enhanced with support for people returning to the workplace after time out to care.**

A gender equal economy is one that provides time for both men and women to care. A gender equal economy is one that recognises that we are more than just our paid jobs, we all have multiple roles that should be valued and supported in a caring economy.

CREATE A CARING SOCIAL SECURITY SYSTEM

For some women the challenges brought on by Covid-19 and lockdown have meant their precarious place in the economy has been tipped over. The lack of sufficient safety net for some women in our society has the potential to further exacerbate existing inequalities within the economy. Women can face particular vulnerabilities due to their increased reliance on social security brought about by caring roles and labour market inequalities.

Covid-19 and the related economic crisis has shown us how quickly individuals' situations can change and in turn the importance of having a responsive, flexible social security system that supports people in times of change, including those who are self-employed, 'gig economy' workers and freelance workers, whose earnings are subject to sharp variations. Social security income is a central part of the income for many, and growing numbers of, households.

In particular single parent households, the vast majority of whom are women, migrant women with no recourse to public funds and disabled women have found that the safety net of social security has too many gaps and isn't working on a level playing field. The challenge as we move into the recovery process is to fix these gaps and ensure that everyone is protected through a dignified and caring social security system.

Our challenge to build a caring social security system

- **Commitment to working with Local Authorities to mitigate the impact of the UK policy of No Recourse to Public Funds and ensure that those in need have access to support and Scotland specific social security payments;**

- **Increase the value of the Scottish Child Payment, to £20 per week, in recognition of the new circumstances within which it is being delivered and fast-track the role out of the new benefit;**
- **Increase the value and eligibility of Carers Allowance to provide support and protect carers from poverty, including increasing the earnings threshold and removing restrictions on full-time education for unpaid carers seeking access to social security;**
- **Review of long-term vision for disability assistance within the next parliament in line with the calls from the Scottish Campaign on Rights to Social Security – Beyond a Safe and Secure Transition⁶.**

A TAX SYSTEM THAT PROMOTES FAIRNESS AND EQUALITY

How our revenue is generated has an important role to play in tackling inequality. Just like decisions on how best to spend public money, decisions about how best to raise public funds through tax can affect women and men differently. Understanding these effects and analysis is needed in decision making. While Scotland does not hold the levers of power on all tax decisions there is more that could be done to realise a progressive tax regime in Scotland.

Local taxation is an area long overdue reform, to ensure Local Authorities are funded to provide vital public services that women disproportionately rely on and to tackle the regressive form of taxation currently in place. There is no time for further delay.

In Scotland, as across the UK, the unequal taxation of income from wealth and income from work represents a tax break for wealthy men. In order to reach a progressive fiscal settlement to support Scotland's recovery, governments at Holyrood and Westminster will need to look in detail at wealth taxes, including those that could be administered at the local government level across Scotland. It will also be vitally important that Scottish Government commitments to a progressive income tax regime are held strong, ensuring those that can afford to contribute more do so through the recovery.

What's more, as we consider the urgent action needed to tackle our climate and nature crises, governments will need to closely consider how progressive carbon taxes can be designed to limit pollution and fund a feminist green recovery.

As Scotland emerges from the Covid crisis, it is also important that we consider what to ask in return from businesses supported through the

6. Scottish Campaign on Rights to Social Security, Beyond a Safe and Secure Transition – A Long Term Vision for Disability Assistance in Scotland, September 2020, <https://cpag.org.uk/sites/default/files/files/policypost/SCoRSS%20report%20Beyond%20a%20Safe%20and%20Secure%20Transition.pdf>

crisis. As Scottish Government considers the shape of future business support, this should include an assessment of how conditionality and/or tax relief could be used to incentivise fair work practices.

Our challenge for a tax system that promotes fairness and equality

- **Reform of council tax to a fair, progressive local taxation;**
- **Review options to deliver wealth and carbon taxes to tackle inequality during the transition to a green economy;**
- **Ensure equality impact assessments on all decisions around tax, including tax breaks and rises, to recognise the different impacts of these decisions on women and men.**

DELIVER GENDER MAINSTREAMING IN POLICY DEVELOPMENT

In order to deliver on each of the challenges outlined above and to work to build a gender equal economy across all sectors effort must be made to recognise gender within the policy making process. This allows policy and budget decisions to take into account the differing needs, experiences and challenges faced by different women and men.

Equality Impact Assessments (EQIAs) are a crucial part of these decision-making processes yet all too often these are not conducted for major policies or the standard is low⁷. Alongside this is the need for sex disaggregated data and analysis to be incorporated into policymaking and recovery planning. Now is time for commitment to drive this through into practice and ensure policy making is fully informed by the impacts it makes on tackling inequality.

Our challenge to deliver gender mainstreaming in policy development

- **Ensure Equality Impact Assessments completed with renewed guidance that embeds EQIAs in the policy design and budgeting processes, alongside this is the need for a comprehensive programme of capacity building on gender analysis and requirements under the Public Sector Equality Duty;**
- **Clear commitment from all levels of government, with senior leadership, to deliver equality impact analysis before policy decisions are made and support to increase capacity to deliver this analysis across all government portfolios;**

7. Engender (2020) What Works for Women – Improving Gender Mainstreaming in Scotland, <https://www.engender.org.uk/content/publications/WHAT-WORKS-FOR-WOMEN---improving-gender-mainstreaming-in-Scotland.pdf>

- **Systematic collection of data that is gender-sensitive and sex-disaggregated and enables an intersectional analysis across other protected characteristics.**

We challenge decision makers to make 2021 a turning point for Scotland's economy.

As we recover from Covid-19 there is the opportunity to work together to create change, to tackle existing inequalities and build an economy that cares for people and the environment. To achieve this our politicians must step up to the challenge.

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