

Poverty Alliance Briefing for International Women's Day 2023

1. Introduction

This year the theme for International Women's Day is embracing equity to build a more diverse, equitable and inclusive society. Realising women's social and economic rights through action to tackle poverty and financial insecurity must be a core aspect of this ambition.

This briefing provides an overview of the gendered nature of poverty in Scotland. It also highlights key pieces of ongoing Poverty Alliance work in the realm of women's poverty including our joint research with the Scottish Women's Budget Group into women's experiences of the cost of living crisis; ongoing research into improving Child Maintenance Services; and the campaign for the real Living Wage and Living Hours.

2. Women and poverty in Scotland

Poverty in Scotland is gendered. Women are more likely to be living in poverty and find it harder to escape poverty.¹ Women's poverty is sustained by a range of factors including women continuing to have lower levels of savings and wealth than men; being more likely to be in low-paid and part-time work; and facing barriers to increasing their working hours and earnings as a result of their caring responsibilities and wider unpaid labour in the home.

Women are also twice as dependent on social security as men.² Social security should be an important anti-poverty measure for women, but this is not currently the case as the system is not fit for purpose. **Both the Covid-19 pandemic and the ongoing cost of living crisis has highlighted the failings of our social security system in keeping people on low incomes afloat.**

Changes to the social security system, such as the benefit cap and the two-child limit, have disproportionately impacted women, placing them at a greater risk of deeper and sustained poverty. **These reforms came alongside a programme of further cuts to public services which have been found to have a disproportionate effect on women, particularly women from Black and ethnic minority households and disabled women.** Ensuring that more people can access an adequate income through social security and investing in our vital public services is therefore critical to tackling women's poverty.

The Scottish Government have acknowledged the inextricable links between women's poverty and child poverty, making action to tackle women's poverty

¹ Close the Gap (2018) *Women, Work and Poverty: What you need to know* available at <https://www.closesthegap.org.uk/content/resources/1---Women-work-and-poverty-what-you-need-to-know.pdf>

² Engender *Women and the Cost of Living: A Crisis of Deepening Inequality* available at <https://www.engender.org.uk/content/publications/Women-and-the-cost-of-living---updated-copy.pdf>

critical to meeting Scotland’s statutory child poverty targets. Women’s incomes remain a key factor in child poverty with evidence showing that where women’s disposable income is reduced, spending on children decreases.³

Women continue to disproportionately assume the role of primary caregivers for children in the home, and account for around 91% of single parents, one of the priority families within the Child Poverty Delivery Plan. Research by One Parent Families Scotland and the Joseph Rowntree Foundation showed that single mothers are trapped in poverty by a range of factors including the prohibitive cost of childcare; lack of quality flexible working and part-time work jobs, with reliable hours; difficulties in accessing training and development opportunities; and generic employability programmes and a social security system that do not meet their needs.⁴

3. Women’s experiences of the cost of living crisis

The Poverty Alliance recently published research with the Scottish Women’s Budget Group looking at the impact of the cost of living crisis on women in Scotland.⁵ This research shows that **women are being disproportionately impacted by the cost-of-living crisis due to women’s pre-existing inequality.**

Our research highlights that **women are falling into deeper poverty as a result of the cost of living crisis, with women being unable to pay existing debt and being at risk of accumulating more debt.** The impact of the cost of living crisis on women’s financial security is thus expected to be long-term. Prior to the outbreak of Covid-19 and the impact of the cost of living crisis, analysis by the UK Women’s Budget Group found that women were more likely to be in debt and **61% of those getting into debt to purchase everyday necessities were women.**⁶ Women’s experience of problem-debt may therefore be exacerbated by the ongoing crisis.

Women often function as “poverty managers” in the home and are responsible for making household budgets stretch. The women in our research reported adopting a range of coping strategies to reduce costs including going without food or heating themselves to provide for their children; shopping around for cheaper products; using savings; minimising social activity; and limiting or going without energy in the household. **Of great concern was the fact many women stated that they had run out of ways through which they could adjust their daily lives in order to cope with rising costs before we entered the winter months.**

Idia, a single mother aged 35-44, reflected on the challenges of being able to afford food and going hungry: *“I spoke to my friend who told me she has been*

³ CPAG (2012) *Ending child poverty by 2020* available at https://cpag.org.uk/sites/default/files/CPAG-Endingchild-poverty-by-2020-progress-made-lessons-learned-0612_0.pdf

⁴ https://opfs.org.uk/wp-content/uploads/2021/06/freeing_low-income_single_parents_from_in-work_povertys_grip_-_findings.pdf

⁵ The Poverty Alliance and Scottish Women’s Budget Group (2022) *“It’s hard work being poor” Women’s Experiences of the Cost-of-Living Crisis in Scotland* available at https://www.povertyalliance.org/wp-content/uploads/2022/11/SWBG_PA_Cost_of_Living_Report_Final.pdf

⁶ Women’s Budget Group (2021) *Household debt, gender and Covid-19* available at [Household Debt, Gender and Covid-19 – Women’s Budget Group \(wbgroup.org.uk\)](https://www.wbgroup.org.uk/publications/household-debt-gender-and-covid-19)

starving and only eats at night. I have started doing that though it didn't go well with me the first day, but I will get used to it."

The cost of living crisis is having a tangible impact on women's health and mental wellbeing in Scotland with participants with pre-existing health conditions reporting that they were unable to attend medical appointments as a result of being unable to afford travel, and others experiencing stress and anxiety.

Stella, a Black single mother aged 35-44, stated *"This cost-of-living crisis has brought untold pain and suffering on women especially single parents and children because of the way it impacts our lives on a daily basis. Not being able to afford the essentials of life can be very stressful and robs women of their dignity and self-worth."*

Similarly, Sue, white single mother aged 45-54, who has long-term health issues stated that *"Tackling the problems in life is a bit like reading a chapter in a book of one's life and because it was a difficult and emotional chapter to read, you become apprehensive to turn the page for the next new chapter! At the same time, you want to continue to read on and see if the book has a happy ending..."*

This research again underscores the fact that women are not a homogenous group, but rather face specific and different inequalities and discrimination as a result of their multiple roles and identities. Our findings show that specific groups of women are particularly struggling during the rising costs crisis. For example, asylum seeking women are experiencing increasing food insecurity, women with caring responsibilities are struggling to afford essential items, and lone parents are facing further pressure to keep their household afloat on a single income.

The research makes a number of recommendations to secure women's financial security during the cost of living crisis and beyond:

- Ensuring adequate incomes for all through a "caring social security system".
- Investing in preventative public services and in support and advice services to help people manage debt.
- Improving community amenities and services, ensuring that support provided is free from stigma.
- For the Scottish government to expand eligibility to sources of emergency support for women experiencing in-work hardship.

4. Child Maintenance Services

Alongside Fife Gingerbread, the Poverty Alliance are currently undertaking research into the Child Maintenance Service. This research, which will be published in May, is analysing whether changes in the system following the end of the Child Support Agency (CSA) have improved the ability of child maintenance to support to families across Scotland. This research will also allow us to understand experiences of child maintenance during the cost of living crisis.

Our early findings point to ongoing issues with access to child maintenance

arrangements; collect and pay; the adequacy of the payment; and compliance and enforcement. Our research with parents has highlighted that failings in the current system have far-reaching implications for children and young people and the financial sustainability of single parent households.

“Child Maintenance would help me a bit towards getting things my son needs such as new shoes” - Research participant

The absence of maintenance arrangements and the inadequacy of current support is causing financial harm to families, particularly those groups who already face problems with the risks of poverty such as single parents. This is particularly important in the context of the cost of living crisis where single parents are finding it increasingly difficult to make ends meet.

“Absolutely ridiculous the amount of times you have to contact child maintenance to ask what’s happening... gave me nothing but stress and disappointment, took 7 months to get up and running for the amount to be shockingly wrong” – Research participant

“Due to payments stopping I now have a 2nd job to help with costs of keeping my child ...This includes having money for rent, clothes, food” – Research participant

Our interim findings also highlight that the **Child Maintenance Service is failing to meet the needs of victim-survivors of domestic abuse.** This is further highlighted in recent analysis by One Parent Families Scotland and Scottish Women’s Aid on collect and pay.⁷ This policy means women affected by domestic abuse are essentially penalised for having to use a state service to access the money their children are owed because their abuser fails to keep to an agreed arrangement or uses this process to continue to abuse and exercise financial control.

“Other parent is now trying to decrease the amount paid (which is already under the recommended amount on the Child Maintenance calculator) and applying significant pressure for me to agree” – Research participant

In our final report, we will be making a number of recommendations to improve the system and ensure that it is fit for purpose. In building a system of child maintenance that has justice and compassion at its heart, our research has highlighted the importance of removing the £20 charge to apply for child maintenance and the need for consistency of case worker within the system.

5. Women, the real Living Wage and Living Hours

Living Wage Scotland was established in April 2014 by the Poverty Alliance in partnership with the Living Wage Foundation with the aim of increasing the number of employers in Scotland who pay and are recognised for paying their staff the real Living Wage. The campaign for the real Living Wage remains critical to addressing women’s poverty, with women’s experiences of poverty closely tied to their

⁷ One Parent Families Scotland and Scottish Women’s Aid (2023) *Child Support Collection (Domestic Abuse) Briefing* available at <https://opfs.org.uk/policy-and-campaigns/policy-research/child-support-collection-domestic-abuse-bill-briefing/>

experiences of low-paid work.

Across the UK, one-fifth of women in work are paid below the real Living Wage compared to 14% of men. Jobs held by women account for 60% of all jobs paid below the Living Wage.⁸ There also remains lower coverage of the Living Wage in female-dominated sectors including retail, care and hospitality. **Women's concentration in low-paid work has presented particular challenges for their ability to make ends meet during the cost of living crisis.**

As a result of women being more likely to have caring responsibilities, they also face the additional pressure of finding work that allows them to balance earning with caring. As a result, women are more likely to work part-time and account for three-quarters of part-time workers in Scotland.⁹ During the cost of living crisis, the narrative that people merely need to increase their working hours and earnings in response to rising prices have failed to take into account women's caring responsibilities and the prohibitive cost of childcare.

Part-time work is negatively correlated with progression out of low-paid work¹⁰ and **part-time jobs are more than three times as likely to pay below the Living Wage than full-time roles.**¹¹ Women's propensity to work part-time thus exacerbates their concentration in low paid and insecure work, as most part-time work is found in the lowest paid jobs and sectors.¹² **Research from Living Wage Scotland found that women in part-time work stand to benefit the most from Living Wage accreditation.**¹³ Improving payment of the real Living Wage in female-dominated sectors and part-time work is a key action to address women's in-work poverty.

Alongside this, Living Wage Scotland began delivering the Living Hours programme in April 2021. Living Hours measures are designed to tackle the problems of underemployment and insecurity around working hours, highlighting the importance of reliable working hours that provide for a stable income. Living Wage Scotland are proactively working to increase uptake of Living Hours with employers in sectors where the risk of insecure work is heightened, including the female-dominated sectors of hospitality, retail and social care.

One-fifth of workers in the UK experience work insecurity, and more than half of these workers earn less than the real Living Wage.¹⁴ Research by the Living Wage Foundation highlights that **women were more likely than men to report**

⁸ <https://www.livingwage.org.uk/news/cost-living-crisis-affecting-women>

⁹ Close the Gap (2021) *Gender Pay Gap Statistics* available at <https://www.closesthegap.org.uk/content/resources/Working-Paper-22---Gender-Pay-Gap-Statistics-2021.pdf>

¹⁰ In-Work Progression Commission (2021) *Supporting Progression Out of Low-paid Work*

¹¹ Jones, Gareth (2019) 'Women benefit from living wage expansion', *Third Force News*, available at <https://tfn.scot/news/women-benefit-from-living-wage-expansion>

¹² Close the Gap (2021) *Gender Pay Gap Statistics* available at <https://www.closesthegap.org.uk/content/resources/Working-Paper-22---Gender-Pay-Gap-Statistics-2021.pdf>

¹³ Jones, Gareth (2019) 'Women benefit from living wage expansion', *Third Force News*, available at <https://tfn.scot/news/women-benefit-from-living-wage-expansion>

¹⁴ Living Wage Foundation (2021) *The Insecurity Complex: Low-paid workers and the growth of insecure work* available at <https://www.livingwage.org.uk/insecurity-complex-low-paid-workers-and-growth-insecure-work>

receiving no payment when shifts were cancelled (29% compared to 20%).¹⁵

This presents particular challenges for women in planning childcare around irregular shift patterns and also **gives rise to the so-called “insecurity premium” which refers to the extra costs workers have to cover as a result of being called into work, such as last-minute childcare or transport costs.** In the recently refreshed Fair Work Action Plan, the Scottish Government have restated their commitment to Living Hours accreditation¹⁶ and it is important that this becomes a core aspect of fair work in Scotland.

6. Conclusion

On International Women’s Day, it’s important to place focus on women’s experiences of poverty in Scotland. Tackling women’s poverty and continued economic inequality is critical to realising gender equality in Scotland.

Tackling women’s poverty in Scotland requires action to invest in more affordable, accessible and flexible childcare; realise fair work for women; strengthen our social security safety net; invest in a comprehensive programme of benefits take up to maximise uptake; and improve access to gender-sensitive upskilling, reskilling and employability support.

For more information, please contact:

Ruth Boyle, Policy and Campaigns Manager
Ruth.Boyle@povertyalliance.org

About us

The Poverty Alliance is Scotland’s anti-poverty network. Together with our members, we influence policy and practice, support communities to challenge poverty, provide evidence through research and build public support for the solutions to tackle poverty. Our members include grassroots community groups, academics, large national NGOs, voluntary organisations, statutory organisations, trade unions, and faith groups.

¹⁵ Ibid.

¹⁶ Scottish Government (2022) *Fair Work Action Plan* available at <https://www.gov.scot/publications/fair-work-action-plan/>