

SUBMISSION FROM THE POVERTY ALLIANCE

Introduction

The Poverty Alliance was formally established in 1992, growing out of an informal network of groups and individuals active since the mid 1980s. We are a membership organisation with a range of varied experience in addressing issues related to poverty and social exclusion. Our membership is made up of a wide range of organisations including grassroots community groups, individuals facing poverty, voluntary organisations, statutory organisations, policy makers and academics. We now act as the national anti-poverty network in Scotland, working with voluntary organisations, policy makers and politicians at Scottish, UK and European levels. This submission is based on our work with our members, particularly over the last few years through our EPIC project.

Overview

Women in poverty will often experience difficulties in accessing and maintaining employment. Poverty can exacerbate or increase the barriers women face such as low pay, access to childcare and availability of suitable employment.

Through the Evidence Participation and Change (EPiC) project¹ and other work at the Alliance, we will highlight within this submission some of the challenges and issues that should be addressed to improve women's experience in the labour market in Scotland. In the current context of continuing austerity measures, the aftermath of a double dip recession and the impacts of changes through Welfare Reform and the introduction of Universal Credit, there need to be a greater focus on tackling the multiple and complex barriers that women often face in accessing and sustaining employment.

Workforce Issues

Low pay

Despite a focus on tackling poverty through employment, in-work poverty continues to be an issue that affects many women across Scotland. In general women are more likely within Scotland to be found in low paid jobs than men.² This is because women are more likely to be found within part-time employment, in part due to the need to balance caring responsibilities, which still impact on women more heavily. Figures on low pay in Scotland show that more than half of those paid less than £7 per hour are part-time workers, the great majority of them being women. With half of the low-paid full-timers are also being women, women account for two-thirds of all low-paid workers³. In addition to being more likely to work in part-time employment, women are more likely to work in those

¹ Poverty Alliance (2012) 'Evidence Participation and Change' <http://povertyalliance.org/epic>

² Poverty Alliance (2010) 'Low Pay in Scotland Briefing no 15'

³ The Poverty site (2011) 'Scotland Low Pay by Gender' <http://www.poverty.org.uk/s51/index.shtml?2>

occupations and sectors that are associated with low paid employment, such as hospitality and retail.

Low paid employment remains a key barrier to making work a genuine route out of poverty for families. Much of this relates to increases in general living costs and in particular barriers such the cost of childcare. Such costs will disproportionately impact on women, particularly those living in rural areas. In rural areas women who will often be doubly impacted by low pay and will incur additional costs through higher travel costs and childcare costs, thus limiting employment opportunities.

Childcare brings further obstacles. For women to obtain or sustain part time work or full time work, affordable and accessible childcare is essential. Figures on costs of childcare illustrate that overall average childcare costs for 25 hours a week are £84 in Scotland, which is more than half the gross average part time weekly earnings of £160⁴. Such disparities again illustrate the crucial links with low pay being a barrier to accessing and sustaining employment.

Indeed childcare costs in Scotland are some of the highest in the UK. In addition there is greater geographic variation in childcare costs in Scotland than in any other part of Britain, showing that women experiencing poverty in Scotland can be affected by equality of opportunity dependent on postcode⁵. Women will often be dependent on informal childcare and this can be problematic in practice.

In addition for families with children with additional needs, accessing specialized respite care or support is also difficult. Appropriate and affordable childcare for disabled children can be hard to find, affecting parents' ability to work.⁶

By implementing an effective childcare infrastructure a clear barrier to paid employment can be minimized. One female lone parent highlighted the impact that being able to access quality and affordable childcare through a voluntary organization had in terms of sustaining employment:

“The effects of having this affordable child care has meant that I can work in a job past 3pm and not have to worry about who will look after the boys. For me to use it for 3 days it's £36, but tax credits pays 70%, so really I only pay £10.80 each week (school day), £45 for 3 days in the holidays, of which I'd pay £13.50 which is so much easier than a childminder or any other child care provider. Plus, the kids are playing games, meeting kids

⁴ Children in Scotland (2011) 'The Cost of Childcare in Scotland: a special report'

http://www.childreninscotland.org.uk/docs/CIS_Costsofchildcarereport_FEB2011_001.pdf

⁵ Children in Scotland (2012) 'Briefing Paper: Key findings from The Scottish Childcare Lottery: A Report on Childcare Costs and Supply in Scotland'

https://www.childreninscotland.org.uk/members/docs/MSummaryChildcareCosts_EYBriefFinal.pdf

⁶ About Families (2011) 'Together and apart: supporting families through change'

http://www.capability-scotland.org.uk/media/101065/about_families_briefing_2_change.pdf

from other schools and having lots of fun, so I do not feel guilty about putting them in there. They have relief staff that will only come in when needed so they do not have a limit for the number of kids they can take, they just bring in extra staff. If this was not available, I would struggle to find work as I would need to get boys to school for 9am and be back to pick them up at 3pm. Therefore the 2 jobs I've had this year would not have been possible without this after school club. I work 16 hours on minimum wage and there is no way I'd manage to pay out any more for child care.” [Employability Discussion Poverty Alliance]

This is a positive example of the impact of removing childcare barriers for lone parents families, families that are more likely to be headed by women. Figures indicate that in 2011, women accounted for 92 per cent of lone parents with dependent children and men accounted for 8 per cent of lone parents with dependent children⁷.

Keeping costs affordable is particularly important as some lone parents will be affected by the additional barriers such as an absent parent not contributing child maintenance so will have lower income to meet the costs of childcare. For lone parents in that situation the costs of childcare can be a real worry, as a result limiting choices and opportunities for them and their family.

Without affordable and accessible childcare provision, lone parents are reliant on family and friends as they have no other choice for childcare. For some lone parents who don't have that support or are unable to depend on it, they can be left very isolated from accessing opportunities. This means that being able to obtain affordable accessible childcare is vital.

In addition to childcare and low pay, wider issues impacting on women employment, is type of work available and the recent issues emerging of under employment.

In the context of wider austerity measures, a large proportion of cuts have fallen on the public sector. This has had gendered impacts on women. The official classification of 'public administration, health and education' is the only broad sector of the economy where more women than men are employed⁸. Research by Unison showed that women's unemployment is at its highest level in 25 years, with 1.12 million women unemployed⁹.

Under-employment has also become an issue with many experiencing 'forced' part time work. Figures at UK level suggest a worrying trend. Evidence from the

⁷ Office of National Statistics (2012) 'Lone parents with dependent children' <http://www.ons.gov.uk/ons/rel/family-demography/families-and-households/2011/sum-lone-parents.html>

⁸IPPR (2011) 'One million women unemployed, a quarter unemployed long-term' <http://www.ippr.org/press-releases/111/7826/one-million-women-unemployed-a-quarter-unemployed-long-term>

⁹ Unison (2011) 'Campaigning for a Fairer Society Women and Public Spending Cuts' <http://www.unison.org.uk/acrobat/19576.pdf>

TUC on underemployment found there are more underemployed women than men, and since 2008 both women and men have seen their levels of underemployment increase by similar amounts. There are around 1.73 million underemployed women (who have experienced an increase of just over 495,000) compared to 1.57 million underemployed men (an increase of around 488,000)¹⁰.

Underemployment presents longer term challenges to gender equality in terms of contributions to national insurance potentially impacting on pensions in later life. This also has consequences for women whose life expectancy is traditionally higher than that of men.

Transition to Employment: Volunteering

Many women who are trying to return to the labour market will focus on accessing volunteering opportunities to enhance their employability. Indeed volunteering was often viewed as a positive way to enhance employability when work was not practical for example due to childcare commitments. As one parent surmised

Volunteering should be classed as work as it can lead to work. You are always learning with voluntary work. And the flexibility is there – you can do it when the kids are at school. [Employability Discussion Poverty Alliance]

Volunteering was seen as a positive way to build skills and expertise for engaging with the labour market or accessing further education or training. This was important for women who had been out of the labour market for a long time due to long-term health conditions or caring responsibilities. Evidence collected by the Poverty Alliance and Fife Gingerbread found that female lone parents valued the opportunity to build such skills but were often limited by logistical barriers such as childcare to take part in such activities to build soft skills.¹¹

Many women chose to enhance their employability by taking part in further training or higher education. This transition can be problematic in practice. Many women experiencing poverty speak to us about problems they face in the transition period when receiving a college bursary as opposed to being in recipient of benefits. Such periods are often financially unstable and often lead to great stress and financial pressure and often serve as a deterrent to accessing learning.

¹⁰ TUC (2012) 'Under Employment Crisis' <http://www.tuc.org.uk/tucfiles/367/Underemployment%20report.pdf>

¹¹ McHardy, F & Fife Gingerbread Buddy Programme (2013) 'Surviving Poverty the Impact of Lone Parenthood' http://povertyalliance.org/userfiles/files/EPIC/Reports/EPIC_Research_Surviving_Poverty2013.pdf

Employment, Welfare Reform and wider issues

Welfare reform presents many issues in regards to women and work. At present it is difficult to anticipate the full impact that changes will have on women. Initial discussion at the Poverty Alliance have indicated challenges on the distances women are expected to be travelling to access paid work in order to meet the requirements of the Job Centre. One woman discussed the challenges this presented in regards to their caring requirements.

I would like a job that is close to home just in case there is an emergency but you are forced to look for work 90 minutes away. If take on full time job where I have to travel 90 minutes, when will I see my daughter?

[Employability Discussion Poverty Alliance]

Other changes such as being moved on to Job Seekers Allowance (JSA) presented challenge for another women in terms of continuing commitment to their college course.

"I'm trying to study to obtain qualifications to change career. I am looking to get a childcare qualification and the SASS will fund it if I am on income support. However I am being moved to JSA because of the age of my child. Therefore, although the qualification would be funded, I would not be allowed to do it because you have to be available for work to claim JSA"

. [Employability Discussion Poverty Alliance]

Women in poverty also face more hidden and invisible barriers to paid work, such as digital exclusion. With more employment opportunities moving online this present challenges to those who are unable to access the internet. In addition for particularly vulnerable groups of women with lower rates of literacy and numeracy this will compound the barriers they already face.

The introduction of universal credit will have a critical impact on women and employment. For example, whilst the opportunity for women to claim help with childcare costs and work less than 16 hours per week are welcome, these provisions will only be effective if there is affordable, accessible and high quality care available. Other aspects are deeply concerning. As noted above, women make up a much greater proportion of part time low paid employees. Under universal credit, many more part time low paid will now be subject to conditionality and required to seek more hours or better paid employment - despite the fact that the numbers of people who identify as underemployed is continuing to rise. The current conditionality and sanctions regime which many women, particularly lone parents, find fails to take account of the reality of their caring responsibilities, with be greatly intensified, with sanctions for a failure to comply being increased to a maximum of three years without benefits. These and other aspects of the new system, mean that the need for appropriate childcare and a range of other services are more important than ever.

Conclusions

This submission has focused on a number of key issues relating to women's experience of the labour market: low pay, accessing childcare, and welfare reform. Women remain disproportionately at risk of poverty. One of the key reasons for this risk of poverty remains the lack of a stable independent income. Accessing stable, decently paid employment, and ensuring affordable and accessible childcare, will be central to reducing this risk of poverty. It is vital that in the current economic context and with austerity and welfare changes still to have an impact, the policies are put in place now to protect the gains that women have made over the last decades and that employment is made a viable route of out poverty.

Recommendations

- The commitment by the Scottish Government to increase the number of hours of free childcare available to parents with young children and the flexibility in which this is to be provided is to be welcomed. However, more will need to be done to ensure that some of the most disadvantaged parents, and particularly lone parents, are able to access quality, affordable (more local and flexible) childcare when they need it.
- Greater efforts to ensure a Living Wage is paid within the private sector.
- Ensure barriers to quality volunteering opportunities are removed and more opportunities for recognition of the skills and qualities obtained through this.

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6 February 2013