

Communities Next

Chwarae Teg Consultation Response

22 April 2008

Introduction

Chwarae Teg promotes supports and develops the role of women in the Welsh economy. We do this by raising awareness of the positive contribution of women to the Welsh economy, and sensitising government strategy and policy to the barriers confronting women who wish to fully participate in the labour market and economic development programmes. We are funded by the Welsh Assembly Government to provide expert advice to Ministers and policymakers on these matters.

The persistency of occupational segregation, the over representation of women amongst the working poor, the under utilisation of women's skills, the gender pay gap, the lack of women in senior and management level positions and the limited number of women in decision making roles presents a challenge to Welsh policy and practice.

Chwarae Teg also designs and manages significant projects that support women's participation in, and the development of, the Welsh economy. This includes working with women entrepreneurs on business starts and managing early stage enterprises, and providing pre-employment training for economically inactive women in their communities. We also work directly with employers and training providers to support the design of gender sensitive employment and training programmes.

Consultation Response

Chwarae Teg welcomes the new strategy, *Communities Next* (CN), which seeks to build on the work of *Communities First* (CF), explicitly by progressing to a delivery and implementation stage via coordinated action planning. We welcome too, the emphasis on outcomes focussed upon *tackling child poverty, economic inactivity* and prompting the use of *social enterprise* in respect of addressing these. We note the inclusion of equality and diversity, and the requirement that progress towards equality outcomes must be detailed in Community First Partnership annual monitoring reports. Further discussion of social inclusion, a broader ambition than tackling economic inequalities, and of social justice, would be welcomed.

However, Chwarae Teg, in its role as expert advisor to Welsh Assembly Government, is obliged to point out that the strategy neglects a gender focus throughout, and is therefore unlikely to succeed in its goals. Women form the majority of the poor. In all age groups and forms of economic status (employed, economically active/inactive, retired), women's incomes are in general less than those of men. We intend to use this consultation response to outline the available evidence base which strongly suggests the necessity for the inclusion of gender sensitive programme design, and gender equality indicators throughout the partnership plans and outcome evaluation.

1) Child Poverty

Evidence upon which UN programmes are based in developing countries, accepts that the education, employment, improved health and civic participation of women has the most direct and lasting effect on addressing child poverty. This premise was also accepted by Gordon Brown, following advice from the Women's Gender Budget Group (WGBG), when as Chancellor in 1999, he amended the payment system for Working Family Tax Credit so that monies were paid directly to women within families (Himmelweit 2000). Since that time, WGBG has investigated women's and children's poverty and the links between them. They have demonstrated that women are at greater risk of poverty than men over the lifetime and how this particularly influences family poverty (see especially:

<http://www.wbg.org.uk/documents/WBGWomensandchildrenspoverty.pdf>).

And yet the *Communities Next* strategy makes no mention of the disproportionately beneficial effect of increasing women's incomes and financial independence on the situation of families and children in poverty.

Part of this omission, which leads to an implicit assumption that women's issues are restricted to Female Headed Households (lone parents) and that in couple households, men should be the focus of employment schemes, lies in the inadequacy of the data. Targeting for the CF programme has been premised on geographical *household* data without investigation of how resources are earned or shared within the household.

The original data sets for Communities First 2001 contained no gender analysis. The 2006 social justice analysis produced by Statistics Wales, which must have been used to inform the Communities Next strategy, contains no gender analysis. Such omissions are no longer excusable.¹

Preparation for the strategy shows no indication that there has been examination of the differing economic positions of women and men. The *Welsh Index of Multiple Deprivation 2005, Local Authority Analysis* on which the selection of the 100 most deprived wards and additional areas is based, makes no mention of gender at all - the programme assumes resources are shared equally with households. Analysis of data relating to poverty at the UK level provides gender disaggregated data, the Wales data does not (see <http://www.poverty.org.uk/summary/wales.htm>).

Failure to refer to the evidence base may be because samples are too small, and it is possible to boost samples. Or it may be that policy makers in Wales have not commissioned disaggregated data. If this is so, it is an oversight, and one that can be rectified by policymakers engaging in the *Equalities Evidence Review* currently being undertaken jointly by departments in the Welsh Assembly Government; the Equality and Human Rights Division and the Office of the Chief Social Researcher.

The WGBG (2005) investigation into women's and children's poverty concluded that:

Women's earnings – in both two and lone parent families – can play a crucial role in keeping their families out of poverty. To that end, any strategy that relies on paid work as the main route out of poverty therefore has to be explicitly gendered.

This means that it has to include *actions to address women's disadvantaged labour market position* and the various obstacles faced by low income mothers who want to take up paid work (2005:iii).

The UK Government introduction of the Working Tax Credit and Family Tax Credit has brought hundreds of thousands of lone parents out of poverty (overwhelmingly these are women), and we note the careful attention given in *Communities Next* to the pre-employment, work-taster and confidence building programmes that will be

¹ <http://new.wales.gov.uk/docrepos/40382/40382313/statistics/comp-2006/930030/fsj2006-econ-e.pdf?lang=en>

needed to encourage lone parents to forgo the 'safety net' of welfare benefits. However, analysis of men's and women's individual incomes demonstrates the need to gender disaggregate couple/household data for more effective programme targeting.

This data is not hard to find, it simply requires an understanding of the gendering of poverty in order to be prompted to look for it – gender expertise should be drawn upon in the design of policy. Highlights of a *Department for Work and Pensions* secondary analysis of income data from the Family Resources Survey (2006)², reveals the necessity to examine poverty beyond geographical boundaries, from a gender perspective, and from within couple households.

Brief overview of earnings and individual incomes data by gender:

- The largest proportionate increase in income between the FRS years 1996/7 and 2004/5 is for single women with children, at 56 per cent (largely due to increase in welfare benefits as outlined above). This means that the approximately one million, seven hundred thousand single women with children in the UK have a total weekly income of £220 per week (disposable income of £174). Approximately 143,000 men are lone parenting in the UK. They have total and disposable incomes of £285 and £213 per week on average, respectively.
- Overall, income from benefits was highest in Wales in comparison to Scotland and England (12% for men and 25% for women).
- Women in all countries have a much higher dependency on dependent benefits than men as a proportion of income, £7 per week compared to £1 per week.
- For those couples where the woman was 'looking after family and home', ninety per cent of the total family income came from the individual income of

² The full report DWP (2006) Gender and Individual Income Report for the Women and Equality Unit can be found at: http://www.womenandequalityunit.gov.uk/indiv_incomes/report2006.pdf

Although not without methodological issues, the data is robust and includes gender disaggregated data for Wales.

men, and only eight per cent from the individual income of women, half of this from benefits.

- In 2004/5, for thirty nine per cent of couples, less than a quarter of total family income came from the individual incomes of women. Thus we should not allow the term dual-earner households to infer equal earnings.
- Around half of those paid less than £7 per hour are part time workers – who are overwhelming women. Annual Survey of Hours and Earnings 2007, ONS; updated December 2007
- The employment rate gap between men and women who have dependent children under the age of 5 years is 31.8 per cent (Bevan Foundation 2006); 86 per cent of these fathers are working, compared to only 55 per cent of mothers. The employment gap between ethnic minority men and women in Wales is twenty seven per cent (Bevan 2006).³
- Further research shows that:
Women are more likely to move from unemployment to self-employment, with one in five women, compared to one in fifteen men making this transition. Therefore, on entering self-employment from unemployment, women make a more immediate contribution to GDP and there is less economic displacement (SBS Promoting Female Entrepreneurship, March 2005, cited in Association of Chartered Certified Accountants June 2005, policy paper).

These highlights are drawn from existing incomes, earnings, economic activity, and employment and entrepreneurship information sources. Sufficient evidence exists to suggest the need for a review of the *Communities Next* (CN) view of deprivation and the inclusion of gender specific actions.

The following table compares the individual incomes of men with those of women. The disparity in the individual income of men and women within couple households with dependent children is particularly relevant to tackling living standards and social as well as economic participation.

³ Bevan Foundation (2006:10) *Measuring Up*, Bevan Foundation: Blaenau Gwent.

Table 1. Median Individual Income by country and gender. Averages for Wales 2002/3, 2002/4 and 2004/5. £ per week at 2004/5 prices

	Total	Net	Disposable
All Women	154	146	121
All Men	274	232	197
Women's income as a % of the comparable income for men	56	63	61
Couples with children			
Women	174	164	119
Men	362	292	247

Source: DWP (2006) *Gender and Individual Incomes*, Tables 5.1, 5.2, 5.3, 5.4, (pages 56/7), produced for the Women and Equality Unit.

Mean total incomes are higher for men than for women in all economic status groups (employed, economically inactive, and retired). Within couple households in Wales, men's total individual income is more than twice that of women. This means that very few women have financial independence (the amount necessary per week to maintain an independent household by earnings), and there can be no assumption about how couple households share their resources between themselves or with their children.

With regard to programmes to support young people, specific attention must also be given to gender. Given the phenomenon of gendered jobs, the majority of girls and boys will be headed (those who are in training or employment) for different industries, occupations and employment contracts in the labour market. Taking Modern Apprenticeship programmes (as an example as this would be is a first destination earnings/training for many in the target geographical areas), a recent

TUC Report (2008)⁴ characterises them as capable of addressing skills gaps but failing to do so because the operation of the programmes is maintaining gender inequality.

Indeed, in male dominated occupational sectors, the disparity has increased over recent years. Of the 2006/7 most common apprenticeship programmes, women are only 1.3 per cent of construction apprentices, 1.4 per cent of vehicle maintenance, and 2.5 per cent of engineering, whereas in 2002/3 they were 4.5 per cent of apprentices in engineering and 2.9 per cent of vehicle maintenance apprentices. Men were only 2.9 per cent of Children Care and Learning Development apprentices. According to findings from a qualitative survey asking why young people they feel uncomfortable crossing gender barriers, boys replied that low pay was one of the main reasons that they did not opt for 'girls' sectors (Fuller *et.al.* 2005).⁵

Women are crowded into the most poorly paid apprenticeships - hairdressing, business administration, customer service, health and social care, children care and learning development and retail. Findings from a Department for Education and Skills Apprentice Pay Survey 2005, give the average apprentice pay as £137 per week. However, twenty two per cent of Business Administration apprentices were earning less than £80 per week, and the average pay for hairdressers was £90 per week, translating to an average of £2.37 per hour (in TUC 2008).

Evidence from Sweden also draws our attention the need to attend to gender differences in the design of community and employment programmes. Driven by fear of rising youth crime amongst unemployed teenage and young men, social training programmes targeting them began to appear in the late 1980s in Britain and Sweden. Classically they took young offenders involved in car theft and joy-riding through car building and maintenance courses. However, the study found that

⁴ Trades Union Congress (2008) *Still more (better paid) jobs for the boys*, TUC: London www.tuc.org.uk/extras/genderreport.pdf This report echoes the findings of the EOC General Formal Investigation into Occupational Segregation in 2004, and the conclusions of the Women and Work Commission 2006.

⁵ Fuller, A., Beck, V., and Unwin, L. (2005) 'The gendered nature of apprenticeship: employers' and young people's perspectives' (in special issue on apprenticeship), *Education and Training* 47 (4/5) 298-311

because young women were more likely to take any job, no matter how 'dead end' or badly paid, rather than be unemployed – no specific training was targeted at them. Also more willing to be geographically mobile to find work or training than the boys, girls were ignored by policy makers, so that many drifted into poorly paid health and beauty, care and service jobs with low pay and little prospect of advancement. Inequality between girls and boys was effectively increased.⁶ Many of these girls could have benefited from specific training courses which might have encouraged them to jump the 'gendered job' barriers.

2) Economic Activity.

The answer to increasing women's economic participation lies not only in the childcare strategies listed in Communities First.

The 'childcare gap' still results in an employment rate difference of 31.1 per cent between men and women with dependent children under 5 (Bevan Foundation 2006). Of the 340,000 providers of unpaid elder and dependent care in Wales, thirty three per cent are aged between 16 and 44; women make up sixty one per cent of this group (ONS: Census of Population 2001).

It is women who bear loss or diminution of employment, and of the satisfaction to be gained from achievements in working lives, when managing childcare and dependent care. Changing population demographics will increase the need for unpaid carers as we live longer and survive longer with life limiting illnesses. And yet to meet the UK government's stated aim of an 80 per cent employment rate by 2010, these women will be need to be in employment. They are caught between the competing demands of an economy that needs them in employment and a social care system that is reliant on their unpaid work.

Recommendations

- 1) Data Review - the action plans and their outcomes must be gender sensitised so that specific programmes and support measures are included targeted to

⁶ Equal Opportunities Commission (2002) 'Equalities in Practice'
(http://www.eoc.org.uk/cseng/advice/service_delivery.asp)

women's experience of social and economic disadvantage. This includes not only the design and focus of programmes upon women's lives as well as men's, but also measures for capacity building, and indeed, empowerment targets in the form of gender balance for the Communities First Partnerships.

- 2) We note the inclusion of equality and diversity in the *Communities Next* Strategy, However, actions fall short of those required by the UK 'equality duties' and s77 Government of Wales Act 2006, which requires the active creative positive promotion of equality. This means avoiding the reduction of equality to a listing of equality grounds upon which people in deprived communities of Wales will not suffer discrimination. Equality for women and children entails tackling material disadvantage. The ring fenced monies for equalities training must include this wider understanding and application of equality.
- 3) There must be an urgent review of the incompatibility of the care and employment agendas - using the principles of the new Gender Equality Duty to plan policy change.