



The Northern Ireland Economy: **Women on the Edge?**

A Comprehensive Analysis of the Impacts of the Financial Crisis

Executive Summary



1. Introduction

Research commissioned by the Women's Resource and Development Agency examined the position of women in the economy and the recession. Twelve areas were examined around a mix of key themes and groups of women. The report concludes that government must consider the gender impact of measures for deficit reduction and economic recovery and significantly increase the number of women in economic and financial decision-making.

2. Gender Contexts

There was little or no gender impact assessment in the decisions made about the UK Emergency Budget and Comprehensive Spending Review or the Northern Ireland Budget. The principle of gendering needs to be applied to the assessment of the recession, public spending measures, economic recovery measures and specific stimulus packages, otherwise gender inequality will be aggravated. All data gathering and analysis must be gendered to understand the different impacts on women and men.

3. Economy

Just 7% of women in N Ireland are self-employed and only 2.4% are entrepreneurs.¹ N Ireland is far below the EU figure for women's entrepreneurial activity. Just 1 in 8 of the Board members of FTSE 100 companies is a woman – at the current rate of change it will take over seventy years to achieve gender-balanced boardrooms. Women are an untapped potential and their economic empowerment should be central to Northern Ireland's investment and growth strategy.

4. Employment

75% is the target for women's employment in the Europe 2020 Strategy.² Women are three-quarters of the part-time public workforce which lost 80% of net part-time job losses in 2009³ and could lose up to 10,000 more posts if public sector job predictions are right. Equality in the labour market combats women's poverty by increasing working-age income and pension entitlements. A fair minimum wage, equal pay, flexible working time, reconciliation of work and family responsibilities, parental leave, protection for pregnant workers and a fit-for-purpose childcare infrastructure should be the norm.

5. Child Daycare for Employment

Parents in the UK contribute more towards childcare costs than in any other OECD country,⁴ and some families lost up to £1,560 in childcare

support with the cut to Working Tax Credit.⁵ The Treasury admitted in its equality impact assessment that this will have a significant impact on women.⁶ Northern Ireland's childcare is characterised by part-time provision while some EU Member States are providing significant levels of full-time daycare. N Ireland needs childcare to be placed on a statutory footing, and a lead Minister to drive forward an integrated childcare strategy. Much can be learned from the Welsh approach to social and commercial childcare enterprises as part of the government's economic and social strategies.

6. Lone Parents

Lone parents aged between sixteen and thirty-four years carry an exceptionally high risk of poverty, at almost 80%.⁷ The 10% cut to the childcare element of Working Tax Credit creates difficulties for lone parents, working or seeking work. Working lone parents will be one of the losers in the new Universal Credit system. While some may be encouraged into starter jobs of less than sixteen hours a week, the new system will provide less assistance to a lone parent working more than sixteen hours. Benefit sanctions for not working will be tougher.

7. Migrant Women

Migrant women who are not working, or whose husbands are not working may be in a vulnerable position. Depending on their immigration status they may not have access to public services or assistance and will have difficulty accessing services run with public funds like women's refuges. Migrant women struggle to have their qualifications recognised, often work in low-paid jobs and many are exploited.⁸ Those who work as nurses and in social care are likely to be affected by public sector job losses. Low pay and job insecurity adds pressure on migrant women who cut their own spending to send remittances to families back home.

8. Young Women

Despite making up 60% of students at N Ireland universities women do not benefit in career progression to the most senior jobs. Subject choices have prepared them for occupational segregation and their salaries and pensions are affected by caring for children. The 2% of young women who leave school with no qualifications,⁹ have been affected worst of all by the downturn.¹⁰ Young women's participation in full-time further education and training is slipping,¹¹ FE Colleges are not providing Jobskills training for them on an equal basis, gender-awareness among programme



leaders and tutors is low and a programme of good practice and guidance on challenging stereo-typing is needed for career advisors.

9. Older Women

Women are 59% of those aged 70+ and nearly seven in ten of those 85+; their numbers will increase between three and fivefold by 2041.¹² Two-thirds of older people in households with incomes less than 60% of the median are women.¹³ The proportion of the 75s+ in fuel poverty is extremely high at 76% and for single, mainly female, older citizens it is 83%.¹⁴ An 'automatic payment' initiative to increase take-up of Pension Credit among single older women is needed. Also critical is a fundamental review to develop a modern and responsive social care system that guarantees older people their rights and entitlements.

10. Pensions

Gender poverty in retirement is linked to pensions. The gender pay gap, part-time working and interrupted careers for child and dependent care interfere with women's pension contributions. Women will be hit by the double acceleration of the timetable to increase the age for the state pension. More women than men will be affected and a cohort of half a million women will be hit harder than anyone else.¹⁵ The UK Government's second initiative, a single tier flat rate state pension of £140, may help lift some older women out of poverty but it will not extend to all.

11. Welfare

Women's rights and entitlements are being stripped away and an out-dated 'male breadwinner, dependent female carer' model is being imposed instead. Women are paying 72% of the net cost of the tax and benefit changes in the June 2010 Emergency Budget.¹⁶ The new Universal Credit will not provide individualised benefits, safeguard personal access to welfare support for women in couples or advance women's economic independence. It will prioritise the primary earner, usually male, at the expense of the second earner, usually female; and combine tax credits and benefits into a single household payment. The Executive and Assembly have the power to design fairness for women into implementation of Universal Credit in N Ireland.

12. Debt and Credit

Low income women hover between work and benefits while they live in a 'managed' state of

poverty. Two-thirds of those in debt are female and one-third is male;¹⁷ women's average debt is around £15,400.¹⁸ Of N Ireland's lone parents, 60% are in debt¹⁹ and three-quarters have no savings at all.²⁰ 13% of households have no type of savings or bank account and this reduces their ability to access credit.²¹ Debt is often not the result of bad financial management but a small income; many women get into debt to buy necessities. Many believe they are just one month away from financial hardship if they had a sudden drop in income or an unexpected expense were to arise.²²

13. Housing and Energy Debt

The Housing Rights Service had a 300% increase in debt advice clients in 2008-2009²³ and domestic violence was a characteristic of many cases to it and other agencies. Twenty percent of those aged 65+ and fifty one percent of those separated, widowed or divorced using pre-payment meters have gone without electricity.²⁴ Due to a lack of gender disaggregated data on fuel poverty, it is impossible to say how many of these are women but it is probable that the majority are women as they form the larger proportion of these categories. High-risk selling has left low-income women with interest-only mortgages unable to pay the capital, and the cut in Mortgage Interest Rate Support will lead to further financial difficulties and possessions.²⁵ Legal aid to defend against house possession and strong support for social housing are necessary measures.

14. Conclusions

The financial crisis presents an opportunity to do things differently: making financial services more transparent, regulating them more effectively and building a new style economy. If public and private sectors are to be rebalanced, alongside this should sit a debate about the balance between private gain and public good in rebuilding an economy in which women and all citizens can thrive. Entrepreneurship and enterprise should be led by political and civic values that set growth within the context of an equal, fair, inclusive and cohesive society.

Work commissioned by the Women's Resource and Development Agency and a copy of the full report and summary is available on: www.wrda.net

References

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- 4 OECD Gender Brief March 2010
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- 9 This is extrapolated from information in DETI, (September 2010), p19. The corresponding figures for boys are 36% and 4%.
- 10 IPPR. *Youth Unemployment and the Recession, Technical Briefing*, Institute of Public Policy Research (January 2010). IPPR Press Release: <http://www.ippr.org.uk/pressreleases/?id=3846> This reflects job losses in the retail, hotel and catering industries, but may affect relatively low absolute numbers. The other regions experiencing the largest increases along with N Ireland are Wales and three regions in England. See also ECNI, McQuaid et al, 2010, p39.
- 11 DENI Statistics http://www.deni.gov.uk/index/32-statisticsandresearch_pg/32-statistics_and_research_statistics_on_education_pg/32_statistics_on_education_participationrates_pg.htm Author's analysis from DENI annual figures. Young men too had mixed fortunes, from a low point of 80% participation in 2005-06, through a high-point of 89% in 2007-08 to 84% in 2009-10; but their participation increased by one percentage point in the last year.
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