

# Response to the Scottish Labour Policy Forum consultation.

### January 2025

#### **Summary**

This briefing seeks to support Scottish Labour Policy Forum (SLPF) in the development of ideas ahead of the 2026 Holyrood Election.

#### Introduction

The impact of the Covid 19 pandemic and subsequent inflationary period has fundamentally eroded Scotland's economic resilience. A wide range of evidence shows the differential impact that these events have had on different groups on society, with women bearing the burden of both the pandemic and the cost-of-living crises. Our Women's Survey 2024 showed that:

- 69% of the 1026 women who took the survey feel financially worse off compared to the same time last year;
- 55% of the 992 women responding to questions relating to debt told us they have some type of debt, and 35% said they have no savings.

Disabled women, single mothers and women from minority ethnic communities are struggling with energy bills and food costs in greater numbers, and so are those with an annual household income of less than £20k per year (46% of which are single households without children). Women's primary role as caregivers directly contributes to gender inequality, as women are more likely to make changes to their working arrangements to accommodate essential unpaid care. There is an urgent need to address the systemic barriers that ultimately create the conditions for women's inequality as a prerequisite to deliver the type of transformational change that Scotland needs.

This briefing will make recommendations for each of the four commissions identified by the SLPF focusing on the areas that are crucial from a gender equality perspective.

## **Becoming an Economic Powerhouse to Improve Lives**

Our discussion paper "Introducing a Feminist Just Transition for Scotland" categorised the Just Transition into four approaches: status quo (no modification of the current

<sup>&</sup>lt;sup>1</sup> SWBG (2023) *Introducing a Feminist Just Transition for Scotland*, available at <a href="https://www.swbg.org.uk/content/publications/FJT-Discussion-Paper.pdf">https://www.swbg.org.uk/content/publications/FJT-Discussion-Paper.pdf</a>

socioeconomic system); managerial (alter rules within the existing system); structural (use distributional justice mechanisms to alter the system); and transformative (overhaul the current system). The transformative approach makes for the most promising Just Transition, particularly when feminist.

Current iterations of Just Transitions in Scotland contain many internal contradictions, like purporting the pursual of traditional economic growth is cohesive with socioenvironmental protection and abundance. This translates into inconsistent policy decisions, such as approving two 'green' freeports<sup>2</sup>, continued exports of oil, gas, and economic support of the arms industry.

Scotland is primed in both its devolved powers and positioning as a wellbeing economy to spearhead a Feminist Just Transition. However, there has been minimal domestic recognition of the link between gender equality and climate justice. To understand what a FJT could look like for Scotland domestically, it is useful to draw on existing work by the UK Women's Budget Group (WBG), and their partnership with the Women's Environmental Network (WEN). Together, they have produced the Feminist Green New Deal (FGND), approaching the green economy movement intersectionally and working to platform voices of marginalised people in environmental debate and policymaking. FGND project recently published their latest report 'A green and caring economy' (GCE) (2022), which frames current climatic and gender inequality a result of carelessly pursuing profit, generating exploitation of planet and people. The report highlights that care needs to be centrefold in Just Transition approaches, as a form of legitimate and well-paid labour, and an arena to remedy existing gender inequality. A FJT calls for structural (e.g., production, consumption, and access to infrastructure) and social (division of labour, recognition of work, recognition of care, gender paygaps, etc.,) change. In addition, a FJT calls on public bodies to deliver the transition with speed<sup>3</sup>.

It is crucial therefore that any climate change policies seeking to deliver transformational change support a 'caring economy', one that relies on clean forms of energy, community ownership models and places a greater emphasis on the role of social infrastructure as part of a healthy economy. For more recommendations on this, please do refer to the <a href="UK Feminist Green New Deal Report">UK Feminist Green New Deal Report</a>.

## A Modern NHS and Social Care System That Puts People at the Centre

The findings of the <u>Women's Survey 2024</u> show how the cost-of-living crisis is currently affecting women who responded to the survey and provide a glimpse into the potential

<sup>&</sup>lt;sup>2</sup> Commonweal (2021) *Free ports, slavery, green ports and more*, available at <a href="https://commonweal.scot/free-ports-slavery-green-ports-and-more/">https://commonweal.scot/free-ports-slavery-green-ports-and-more/</a>

<sup>&</sup>lt;sup>3</sup> SWBG (2023) *Introducing a Feminist Just Transition for Scotland*, available at <a href="https://www.swbg.org.uk/content/publications/FJT-Discussion-Paper.pdf">https://www.swbg.org.uk/content/publications/FJT-Discussion-Paper.pdf</a>

long-term consequences of the cost-of-living crisis on women, their health and the economy. When asked about the impact of the cost-of-living crisis:

- 29% stated that it has affected their physical health. This increases to 40% for minority ethnic women, 42% for women with an annual income under £20k, 50% for disabled women and 44% for single mothers<sup>4</sup>;
- 13% told us they had to see the doctor for their physical health. This increases to 15% for single mothers, 21% for women with an annual income under £20k, 22% for women from minority ethnic communities, and 28% for disabled women<sup>5</sup>.

Not putting the heating on can increase people's likelihood of developing respiratory infections and other conditions such as asthma. Developing any such conditions can limit women's lives but also become a barrier to accessing employment<sup>6</sup>, which in turn can impact women's earnings, contributing to the risk of falling into poverty. There is a growing interest in understanding the links between poor health and the current rise in economic inactivity, as poor health is the main reason behind the rise in economic inactivity among 50–69-year-olds in Q2 2022 (200,000)<sup>7</sup>. Analysis by SPICE indicates that a higher proportion of economic inactivity is attributed to permanent ill health or disability by men over 24 than by women in Scotland<sup>8</sup>. However, this reason has trended downward for men over 24 since 2001 but increased for women of all ages in the last five years. While more data and research are required to understand the reasons for this, attention should be paid to health inequalities driven by socioeconomic factors, particularly in the context of the cost-of-living crisis, and how this affects women. With Scotland's population projected to age, the consequences of the current inflationary period could have implications for women, but also for the state as the NHS and the social security system try to tackle ever more complex problems, while the labour market fails to grow its workforce.

The second most frequently reported reason for inactivity according to analysis by SPICE is being in education for men (30%) and looking after the house/family for women (25%)<sup>9</sup>. In relation to this, Scotland's Gender Equality Index 2023 revealed that in 2022, 83.7% of 16–64-year-olds who were 'inactive' due to caring were women,

<sup>&</sup>lt;sup>4</sup> SWBG (2024) *Women's Survey 2024. Navigating increasing costs and debt*, available at <a href="https://www.swbg.org.uk/content/publications/SWBG-Womens-Survey-2024-FINAL.pdf">https://www.swbg.org.uk/content/publications/SWBG-Womens-Survey-2024-FINAL.pdf</a> *ibid* 

<sup>&</sup>lt;sup>6</sup> ONS (2023) Rising ill-health and economic inactivity because of long-term sickness, UK: 2019 to 2023, available at

 $<sup>\</sup>underline{https://www.ons.gov.uk/employmentandlabourmarket/peoplenotinwork/economic inactivity/articles/risingillhealthandeconomic inactivity because of long terms ickness uk/2019 to 2023 \underline{}$ 

<sup>&</sup>lt;sup>7</sup> SG (2023) Scotland's Labour Market Overview: December 2023, available at <a href="https://www.gov.scot/publications/scotlands-labour-market-overview-december-2023/pages/economic-inactivity/">https://www.gov.scot/publications/scotlands-labour-market-overview-december-2023/pages/economic-inactivity/</a>

<sup>&</sup>lt;sup>8</sup> SPICe (2024) *Economic inactivity and ill health in Scotland* available at <a href="https://bprcdn.parliament.scot/published/2024/7/26/e76632ef-84a0-465c-9594-9c2f07f29153/24-38.pdf">https://bprcdn.parliament.scot/published/2024/7/26/e76632ef-84a0-465c-9594-9c2f07f29153/24-38.pdf</a> ibid

compared to the 16.3% that were men. This demonstrates the gendered dynamics and impact of caring responsibilities on women compared to men, and the need to tackle the long-standing issues within Scotland's adult social care system head on.

Scotland's Fairwork Convention has stated that 'fair work is not consistently delivered in social care.' As the Fair Work Convention has highlighted, a combination of low pay, job precarity and insecurity (one in five care workers are not on permanent contracts) and high stress levels (13% work more than 50 hours a week) is contributing to a crisis of recruitment and retention in care work<sup>10</sup>. Care workers themselves report the impact this has on the support provided. A lack of time and being spread too thinly between service users was recently highlighted in a survey of care workers as contributing to high levels of stress, a problem that is even more challenging for those in remote and rural areas. These issues have consequences for individuals and society, as well as the state. For example, it leads to greater spending on emergency medical interventions that could be prevented, and it holds people back from living flourishing lives.

In modelling the cost of care in Scotland, the Scottish Women's Budget Group published a briefing focused on several key areas: who needs care, the intensity and type of care provision, and how much care costs – including care workers' wages. By looking at these areas, we identified a core investment scenario that SWBG believes is the minimum Scotland needs to invest to improve the quality-of-care provision, and the quality-of-care support received. However, the modelling goes further to presenting a transformative investment scenario as required to re-envision and reconfigure the provision of care and care work in Scotland<sup>11</sup>.

Very importantly, the briefing shows the potential that investing in care can have on growing the Scottish economy. Our briefing showed that investing specific levels in social care could generate about 43,000 new jobs created by the increase in care workers. In addition, 8,000 jobs would be generated through indirect jobs in industries supplying the care sector, as well as over 24,000 jobs through induced employment due to newly employed workers spending in the Scottish economy. For more information and detail, please refer to the publication: <a href="Towards-a-transformative-universal-adult-social-care-support-service-for-Scotland.pdf">Towards-a-transformative-universal-adult-social-care-support-service-for-Scotland.pdf</a>

## From Cradle to Career: Giving Young People the Best Start in Life

Childcare is another area within care that contributes to growing the Scottish economy while helping give people the best start in life. Lack of affordable and accessible childcare

 <sup>10</sup> Fair Work Convention (2019) Fair Work in Scotland's Social Care Sector 2019, available at <a href="https://www.fairworkconvention.scot/wp-content/uploads/2018/11/Fair-Work-in-Scotland%E2%80%99s-Social-Care-Sector-2019.pdf">https://www.fairworkconvention.scot/wp-content/uploads/2018/11/Fair-Work-in-Scotland%E2%80%99s-Social-Care-Sector-2019.pdf</a>
11 SWBG (2022) *Towards a transformative universal adult social care service for Scotland* available

<sup>&</sup>lt;sup>11</sup> SWBG (2022) *Towards a transformative universal adult social care service for Scotland* available at <a href="https://www.swbg.org.uk/content/publications/Towards-a-transformative-universal-adult-social-care-support-service-for-Scotland.pdf">https://www.swbg.org.uk/content/publications/Towards-a-transformative-universal-adult-social-care-support-service-for-Scotland.pdf</a>

is a major barrier to women being able to take on work, or to move to better paid, more secure work. Our <u>Childcare Survey 2023</u> last year found that for 55% of the women who responded, the challenges of managing childcare were impacting their ability to do paid work. This figure increased to 67% for single parents and 71% for disabled women. 4% of respondents stated that they had given up work, which increased to 10% for women from minority ethnic communities<sup>12</sup>.

The long-standing problem of lack of flexibility and affordability of childcare in Scotland compounded by the challenges created by the cost-of-living crisis is putting families' finances, and particularly women's, under further pressure. Despite the majority of survey participants (66%) reporting a household income of over £50,000, 74% respondents told us that the increase in other household costs was impacting on their ability to manage childcare costs.

Our <u>childcare briefing</u> includes detailed recommendations to improve ELC offer, including:

- 1. Introducing 30-hour funding after paid maternity leave and outline a plan towards universal access to 50 hours per week;
- Ensure free provision for those groups experiencing poverty;
- 3. Extend funding beyond school-term;
- 4. Develop affordable wraparound care for over 5-year-olds;
- 5. Recognise the extra costs of disabled children when designing childcare policies, services and funding.

You can access more resources on childcare through the links below, including figures on the economic returns on childcare investment:

Scottish Women's Budget Group | SWBG blog | What's wrong with childcare in Scotland? A summary

Scottish Women's Budget Group | SWBG blog | Flexible childcare, an ideal or a necessity? A summary

Scottish Women's Budget Group | SWBG blog | Is investing in childcare worth it? A summary

<u>Scottish Women's Budget Group | SWBG blog | Beyond Scotland: what does childcare</u> look like elsewhere?

We are hoping to do some research on the implementation of ELC in Scotland and how this is meeting the ambitions set by the Scottish Government for the policy. We encourage

<sup>&</sup>lt;sup>12</sup> SWBG (2023) *Policy briefing: Childcare Survey 2023*, available at <a href="https://www.swbg.org.uk/content/publications/Policy-Briefing---Childcare-Survey-2023.pdf">https://www.swbg.org.uk/content/publications/Policy-Briefing---Childcare-Survey-2023.pdf</a>

the Scottish Labour Policy Forum to stay in touch so we can share any findings that might be of interest.

#### More Equal and Safer Communities Where We Can All Thrive

Due to caring responsibilities which translate into more time dedicated to unpaid domestic and care work than men, women have less time for paid work across a lifetime. This means that, on average, women are more likely to rely on social security and receive more of their individual and household income from the social security system than men<sup>13</sup>. In addition to increasing the funding for social security, it is also important that the design of financial support takes an intersectional approach. Our research with the Glasgow Disability Alliance found that the cost-of-living support provided did not consider the additional costs that households with disabled individuals have. This is having a negative economic impact on people living with disabilities, particularly women<sup>14</sup>, and it is also exacerbating inequalities. Reinforcing the social security system is therefore crucial to ensure that it provides a genuine safety net for individuals in our communities.

Additionally, to create more equal communities it is crucial that all public bodies integrate gender analysis as part of the process leading to their spending and revenue raising decisions. Our recently published review of local authority budgets 2024-25 showed that women and unpaid care were often invisible in the Impact Assessments carried out by the councils. The invisibility of women within the analysis used to identify and agree savings within councils' budgets seriously risks further entrenching gender inequality<sup>15</sup>.

Finally, it is important to highlight the role that the tax system has in enabling the type of transformational change that Scotland needs. SWBG supports the call from Tax Justice Scotland which can be found here.

#### For further information

Contact: Carmen Martinez, Policy and Engagement Lead, SWBG.

Email: carmen.martinez@swbg.org.uk

#### About us

The Scottish Women's Budget Group (SWBG) is an independent analysis and campaign group that aims to promote gender analysis in public policy and public finance

<sup>&</sup>lt;sup>13</sup> UK Women's Budget Group (2022) *Social Security and Gender*, available at https://wbg.org.uk/wp-content/uploads/2022/03/Social-security-and-gender-PBB-Spring-2022.pdf

Glasgow Disability Alliance, Scottish Women's Budget Group (2023) GDA-SWBG Briefing Paper, available at https://www.swbg.org.uk/content/publications/SWBG-GDA-BriefingPaper.pdf
SWBG (2025) Local Authority Budget review 2024/25, available at 1736844318\_SWBG-LA-Budget-2024-25-Briefing-final.pdf

decisions through budgetary processes. SWBG brings together a wide range of women from across Scotland who have an interest in women's equality and want to achieve better gender equality in our society. We have focused on encouraging active gender analysis in the Scottish Budget process since 2000.

Find out more: swbg.org.uk