EQUALITIES AND HUMAN RIGHTS COMMITTEE PRE-BUDGET SCRUTINY 2021-22 – IMPACT OF COVID-19 ON EQUALITIES AND HUMAN RIGHTS SUBMISSION FROM SCOTTISH WOMENS BUDGET GROUP

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 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 and has focused on encouraging active gender analysis in the Scottish Budget process since 2000.

As part of the UK wide project, the Commission on a Gender Equal Economy, we are pleased to bring to the Committee's attention Creating a Caring Economy: A Call to Action, the Commission's final publication. This report sets out eight steps to create a caring economy, based on gender equality, wellbeing and sustainability, in the recovery from Covid-19. We share this alongside our brief submission and urge the Committee to review the key recommendations of the Commission and consider their implementation within the context of the Scottish Budget, Programme for Government, and wider public policy actions. The eight steps to creating a caring economy are:

- Re-envision what we mean by 'the economy', so that the centrality of care to the economy is recognised;
- Invest in social and physical infrastructure, so that public services address diverse needs on an equal basis;
- Transform the worlds of paid and unpaid work, to provide not just more jobs, but better jobs;
- Invest in a caring social security system which is based on dignity and autonomy;
- Transform the tax systems across the UK, to make them more progressive and fair;
- Refocus the overall fiscal and monetary policy framework on building a caring economy;
- Work to develop a trade system that is socially and environmentally sustainable;
- Work to transform the international economic system so that it is supportive of the creation of caring economies across the world.

The Covid-19 pandemic and resultant lockdown and economic crisis have highlighted and sharpened existing inequalities within our society. Women, black and ethnic minority communities and disabled people are economically the hardest hit by the crisis and the risk of deepening existing inequalities is high. As highlighted by the Women's Gender Budget Group (UK) and feminist organisations in Scotland, women have been on the frontline of the Covid-19 crisis, making up the majority of health and care workers and the majority of workers at high risk to exposure to Covid-19. But all too often jobs that are underpaid and undervalued. Alongside this, other sectors which have a predominately female workforce have been harder hit by the impact of lockdown and ongoing restrictions of social distancing, with risk of unemployment or reducing working hours remaining high. Women with no recourse to public funds have been thrown into insecurity and possible destitution with no safety net available when crisis hit. As the Glasgow Disability Alliance put it 'the pandemic and responses have supercharged the inequalities we already faced, and created new ones, with long-term impacts.'

Action is required now to ensure the forthcoming budgeting process works to redress these inequalities through conscious analysis of the impact of each decision, as well as funding decisions to positively invest in redressing the balance and building a caring economy for all.

Making Equalities and Human Rights central to budget decisions

The Programme for Government has committed 'to ensure equality and human rights are embedded in all we do' and the recognizes that 'the impacts of Covid-19 have not been felt equally and it is expected ongoing economic impacts will be felt disproportionally by women, those from minority ethnic communities and disabled people'. With this recognition we call on the Committee to work with the Scottish Government to improve the quality and use of equality analysis, impact assessment and evaluation across all portfolios. Ensuring gender-sensitive sex-disaggregated data is used in the development of policy and budget decisions.

The Committee has an important role to set the direction for the rest of the Scottish Parliament committees to ensure equality and human rights analysis are central to their scrutiny of the budget. The intersectional gendered effects of the health, social, and economic consequences of Covid-19 need to be front and centre in the process of policy, and in turn budget, decision making across all spending portfolios and all Committees of the Scottish Parliament. Within this process all committees should ensure gender impact assessments are undertaken with transparency of this information through the budgeting process and provide clarity on how they are using the Equality Fairer Scotland Budget statement to guide policy decisions.

SWBG is a signatory to nine principles for a <u>gender equal recovery</u>, published by Engender and Close the Gap. Including the principles of equality and non-discrimination as core to the economic recovery, inclusive growth should mean investing in a care economy, the need to integrate gender analysis across budgetary processes, decisions made based on intersectional gender-sensitive sex disaggregated data, and increased wellbeing of people in Scotland as a measure of economic success. As the Scottish Government progresses its Programme for Government and the proposals around the Renew project informs policy we recommend these principles are applied to underpin a gender equal recovery.

We share concerns raised by the WISE Centre for Economic Justice, Engender and Close the Gap that the Advisory Group on Economic Recovery recommendations are not gendered despite the gendered nature of the economic crisis. Therefore, acting on the recommendations of this report the Scottish Government will need to build in a gendered approach and analysis to ensure that inequalities are not further entrenched or actively widened through the recovery.

The Scottish Government has further set out plans for Regional Economic Partnerships, piloting community wealth building, alongside the usual impact of national decisions on local government spending, these offer both opportunities and risks to improving gender equality in Scotland. The impact of funding, or reductions in funding, to local government must be closely scrutinized including ensuring that gender impact assessments of decisions made at local level are conducted with all necessary sex-disaggregated data. For example, what equality analysis was conducted as part of recent decisions by Glasgow City Council to defund Citizens Advice Scotland local bureaux (decision now reversed) and withdraw core funding from One Parent Families Scotland and the Glasgow Disability Alliance, to name just a few.

Impact of spending decisions in relation to Covid-19

As lockdown was brought in the Scottish Government was quick to respond to immediate needs in communities such as access to food, domestic violence services, provision of shelter for those sleeping rough. The Resilience Fund allowed for funds to be dispersed quickly to those adapting services to operate remotely, such as Women's Aid, and to community groups providing direct provisions across the country.

Alongside this fund increased spending has been made at speed to the Scottish Welfare Fund, this is an important action and demonstrates agility within the system when needed most. However, analysis by the Poverty and Inequality Commission found some key concerns about how this was delivered with variations at Local Authority level, including lack of awareness and barriers such as digital exclusion hampering easy, dignified access to people most in need. There is a lack of clarity on analysis about the impact of this additional spending or consistency of disaggregated data on sex, ethnicity and disability.

There is a need for Local Authorities to provide standardized data to support the monitoring and evaluation of this fund, including the additional spending put into it at point of crisis.

On both the Scottish Welfare Fund and the Resilience Fund a retrospective analysis should be done of the gender impact of decisions made and funds dispersed to provide learning as well as analysis on any further balancing measures that may need to be taken. Where funds were dispersed at a Local Authority level, data on household composition could be used to inform gender dynamics of the dispersal.

The Scottish Government made decisions early in the pandemic to delay work in two key policy areas, increased provision of early years childcare and the implementation of the Scottish Child Payment, now due to start payments in February. The delay in both these areas is likely to have had a disproportionate impact on women, in particular single parent households, which are predominantly women and recent research from the Joseph Rowntree Foundation finds to be the group of people with the highest rate of poverty. As we progress into a recovery phase it is important that there is full transparency over the decisions that were made, what if any gender and equality impact assessments were provided in making these decisions, what additional knock on impacts prioritisation of one area has over another and how the recovery phase can redress any further inequalities caused.

During this time of fast changing commitments it is important for Government to set out regular updates of the changing funding positions with inclusion of equality and human rights impact assessments of the policy decisions. Evaluation is needed of the impact of spending on addressing the pre-existing inequalities, that Covid-19 has brutally exposed. Alongside assessment on the impact of spending that has been redirected from previous commitments on equality. We call on the Committee to explore redirected funding with Scottish Government and ensure that effective equality impact assessments have been conducted.

How inequalities highlighted by Covid-19 can be addressed in Scotland's economic recovery

Care work is overwhelmingly carried out by women and is a key sector in the economy. Although it is not often formally recognized as a key economic sector, care work underpins Scotland's economy. And yet, because it is overwhelmingly carried out by women, it is undervalued and has suffered from chronic underinvestment. This lack of investment must be recognised as both a cause and consequence of an unequal society. Analysis by the Women's Budget Group demonstrates that investment in care would produce 2.7 times as many jobs as the equivalent investment in construction acting as both a way to stimulate employment and reduce the gender employment gap, however, care workers must be better paid and better trained as part of this investment to avoid reinforcing occupational segregation and pay gaps. We welcome the move of the Scottish Government to increase pay for social care workers to the Real Living Wage. This must be maintained and built upon during the recovery to recognize the value that should be placed on care work and in recognition that investment in care is investment in the economy.

The National Care Service review outlined as part of the Programme of Government brings welcome attention to social care but urgent action is needed now. While this review is underway critical investments must be made on the structural, financial and human elements of providing quality care with Scotland's economic and social recovery from Covid-19 centred on building a caring economy. As made clear by the Commission for a Gender Equal Economy a substantial increase in funding is urgently needed but ultimately, the sector needs to be reconfigured to fully meet all social needs, with well-trained and well-resourced workforce.

The expansion of public childcare must also continue, but in addition to protecting committed spend there must be more flexibility built into the system. We saw the centrality of childcare to a functioning economy during lockdown, without access to childcare the economy suffered, paid work could not be done alongside childcare and home schooling. Unpaid care work increased as analysis from the Women's Budget Group shows women spent two thirds more time on childcare than men, with that rising to 78% more childcare for children under 5. With single parent families, the vast majority of whom are women, having to handle the closure of schools and childcare alone. In turn this has impacted on women's

economic situation either through reduced hours at work, necessity to be placed on furlough or losing their job completely. As we reach the end of the furlough scheme there is a very real risk that those taking furlough will be at disproportionate risk of redundancies. Publication of redundancy audit data by medium and large companies, in line with gender pay gap reporting standards, would allow parliament to understand the scale of the impact on redundancy and its gendered nature. The gendered effects of the furlough scheme must be anticipated and form part of calls for the extension of furlough or similar measures.

To keep families financially resilient through this crisis there is a strong economic argument for action now to ensure parents do not drop out of the labour market. This reinforces the need for increased affordable and flexible provision as we move towards a gender equal economy. Implementing the 1,140hours childcare commitments must not be delayed. Existing spending commitments must be met, and additional investment in jobs within the sector is essential to make this possible; investment which will in turn yield significant economic benefits to local communities and the Scottish Exchequer.

In its work to restart and renew Scotland's economy, the Scottish Government must build in an understanding of the gendered dimensions of the labour market, the impact of Covid-19 on jobs, health, public services and communities. This needs to be a starting point for policy analysis and policy proposals, and not a post hoc activity once policy options are proposed. Areas of investment in employment, economic development and business support must be gendered. Previous evidence from apprenticeship schemes have told us that a lack of gender analysis builds inequality into the system. For example, what consideration has been given to the gendered elements of the Covid-19 Transition Training Fund? The sectors that fall within this fund, and other employability and skills support schemes being invested in, need to recognise the different areas of work where men and women dominate and view social infrastructure as an area to invest in training for all those interested in moving to a career in care. Lessons can be learned from existing schemes such as the Returners Scheme laid out in the Gender Pay Gap Action Plan.

We appreciate the opportunity to provide this submission to the Committee and once again would like to highlight our support for the calls made through the Commission on a Gender Equal Economy, in the publication Creating a Caring Economy: A Call to Action.

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