**Research Summary: Impact of Austerity/Welfare Reform on Women**

Research indicates that women are likely to experience greater impacts from the government’s austerity and welfare reform policies than men. This is due to a range of societal factors that make women more vulnerable to these policies – women are more likely to claim social security benefits, more likely to use public services, more likely to be in low-paid, part-time and insecure work, more likely to be caring for children/family members and more likely to have to make up for cuts to services through unpaid work.

Women often bear the brunt of poverty in households managing household budgets to shield their children from its worst effects. Women act as the ‘shock absorbers’ of poverty going without food, clothes or warmth in order to meet the needs of other family members when money is tight.[[1]](#footnote-1)

**Introduction**

After the financial crisis of 2007/2008 and the resulting recession a programme of austerity and welfare reform measures was introduced. The government’s austerity programme contained a series of sustained reductions in public spending intended to reduce the government budget deficit and the role of the welfare state in the UK.

The Welfare Reform (Northern Ireland) Order 2015 came into effect in December 2015 introducing a range of welfare reforms and bringing the social security system in Northern Ireland broadly into line with the rest of the UK.

It contained many of the most significant changes to the welfare system including the introduction of Universal Credit (UC), the replacement of DLA with PIP, the introduction of the Benefit Cap and the ‘Bedroom Tax’. Other welfare reform policies such as the benefit freeze and the two-child limit were announced in the Summer Budget of 2015.

It is difficult to fully analyse the impact of austerity and welfare reform in Northern Ireland because some of the reforms, including Universal Credit, have been rolled out later in Northern Ireland than in other parts of the UK.

The experience of welfare reform will also be different in Northern Ireland because of Welfare Reform Mitigations. This package of mitigation measures, agreed by the Northern Ireland Executive, includes support for those most adversely affected by welfare reform.

**Impact on Women**

Research shows that 86% of the savings to the Treasury through tax and benefit changes since 2010 will have come from women.[[2]](#footnote-2)

Women’s Budget Group (WBG) research has shown that austerity has a disproportionate impact on women’s lives.[[3]](#footnote-3) It concluded that public-spending cuts have disproportionately affected women, who are more likely to need public services and more likely to be caring for children and other family members who need services. Women are also more likely to have to make up for cuts to services through unpaid work.

Despite the vulnerability of women to austerity policies, many post-2010 social security reforms have taken place without sufficient analysis of these measures on women’s equality.[[4]](#footnote-4)

**Northern Ireland Context**

Northern Ireland has a number of economic and social features that make it more vulnerable to austerity policies not least because of higher levels of dependence on social security benefits.

Higher levels of economic inactivity (especially for women), higher levels of disability, lower average earnings and larger average family size also mean that Northern Ireland is disproportionately affected by changes to social security.

**Rural Women**

Northern Ireland has a large rural population. Research shows that rural women are under increasing pressure from the economic climate. Underfunding of rural women’s activities and underinvestment in rural areas, centralisation of services, lack of infrastructure and the burden of caring responsibilities is leaving rural women experiencing more poverty and social isolation than ever before.[[5]](#footnote-5)

**Working Poverty**

The likelihood of being in working poverty has been rising for families with children, with a particularly sharp increase for lone parents.[[6]](#footnote-6) This is despite the government’s claim that work is the way out of poverty.

Paid work is not a guaranteed route out of poverty especially for women who are often concentrated in low-paid, part-time and insecure work. In addition women often struggle to increase their working hours due to caring responsibilities. This limits both the number of hours they can work and the distance they can travel for work.

**Findings**

Research with local women in rural and disadvantaged areas showed the overwhelmingly negative impact of austerity/welfare reform on their everyday lives. Many women were forced to make difficult decisions and to stretch already tight budgets further and further in order to provide for their children/families. This led to many personal sacrifices by women with resulting impacts on their health and wellbeing.

**Key Points**

* 78% of women reported they had to make cutbacks in their everyday life/had been impacted by austerity.
* Women were most concerned about increases in the cost of living (food, clothes, utilities) and changes to benefits/tax credits.

**What women said:**

*“As long as my 2 kids are fed and watered I don’t care if I eat.”*

*“I’m scared to go to the Post Office and my money isn’t there – how will I feed my son?”*

*“We never go out, we never get a holiday, we have no social life.”*

*“They keep me sane, if it wasn’t for the women’s group I don’t know where I’d be.”*

*“There were weeks I had to choose between gas and electric – I chose electric so we had no heat.”*

*“On UC you need to work 6 weeks with no money, we had to go to the foodbank and SVP for help.”*

*“I don’t understand, all these words are confusing – Universal Credit, mitigations.”*

*“Where are all the jobs? There are no jobs that are flexible for women.”*

*“Austerity needs to stop!”*

* Women were forced to take a range of actions to cope with austerity/welfare reform including cutting back on essentials (including food), cutting back on additional expenditure (holidays, socialising, etc), not using fuel/electricity to save money, asking family/friends/charity for help with essentials, etc.
* Worry/stress about money was a never-ending constant in many women’s lives.
* Importance of local women’s centres was evident not just for the services they provide but also for friendship and social interaction.
* Many women reported a lack of understanding about the benefits system/welfare reform/mitigations.
* Dealing with the benefits system/welfare reform changes was stressful for many women.
* Working poverty was an issue for some women who struggled with rising costs of essentials, childcare and unexpected bills.
* Women reported problems getting jobs, particularly in rural areas, and the associated difficulties accessing flexible, affordable childcare/transport.
* The impact of Universal Credit was not widely felt yet but those that had been impacted really struggled during the 5-week initial wait for payment.
* There was widespread frustration about the lack of local government while all these changes were taking place.

**Recommendations**

* The existing mitigations package for Northern Ireland should continue beyond March 2020 and be re-profiled to provide protections for evolving welfare reforms.

**What women said:**

*“Cancel UC, it’s not working for people and they are losing money.”*

*“People are so stressed out worrying about the changes especially vulnerable people.”*

*“The less able are most affected by benefit cuts.”*

*“Women in families are the ones left to pick up the pieces. Women and mothers are left with the burden of these issues.”*

*“Waiting 5 weeks on UC – what are you supposed to do? What if you have kids? It doesn’t make any sense.”*

*“Living costs are up, the cost of everything is going up but benefits are not.”*

*“Working families should get help with childcare costs.”*

* Government should increase funding for independent advice services to include specific funding for community level information, advice and advocacy work that reaches out to the most vulnerable and marginalised.
* Government should properly recognise and support the role of community-based women-only provision in addressing women’s vulnerability and poverty in rural and disadvantaged areas including the provision of longer-term funding.
* All policies should be analysed with a gender lens to avoid adverse effects on women’s human rights and this should include rural-gender proofing.
* Further research on the impact of austerity/welfare reform on women in Northern Ireland is required. Government should work to assess the impact on women and adopt measures to mitigate and remedy negative consequences immediately.
* Government should ensure the availability of accessible, affordable childcare in Northern Ireland and recognise the case for properly sustaining childcare provision through the Women’s Centre Childcare Fund (WCCF).
* A series of changes should be made to UC to help low-income families and women including a reduction in the initial wait for the first UC payment, automatic split payments, the introduction of a second earner work allowance, payment of childcare costs upfront and a restoration of work allowances to their original levels.
* Removal of the two-child limit in tax credits and UC and an immediate end to the benefit freeze.

The full report **“Impact of Ongoing Austerity: Women’s**

**Perspectives”** produced by the Women’s Regional Consortium

is available from the Women’s Regional Consortium website:

<http://bit.ly/2JVIflO>

March 2019

1. A Female Face, Fabian Society Blog by Mary-Ann Stephenson, Women’s Budget Group, February 2019 [↑](#footnote-ref-1)
2. Estimating the gender impact of tax and benefit changes, Richard Cracknell, Richard Keen, Commons Briefing Papers SN06758, December 2017 [↑](#footnote-ref-2)
3. The Impact of Austerity on Women in the UK, UK Women’s Budget Group, Sara Reis, February 2018 [↑](#footnote-ref-3)
4. The impact of austerity on women, D Sands, Fawcett Society, 2012 [↑](#footnote-ref-4)
5. Rural Women’s Manifesto, NIRWN, September 2015 [↑](#footnote-ref-5)
6. Universal Credit needs reform to unlock families from in-work poverty, JRF Blog, Katie Schmuecker, September 2018 [↑](#footnote-ref-6)