



CREATING A CARING ECONOMY: A CALL TO ACTION

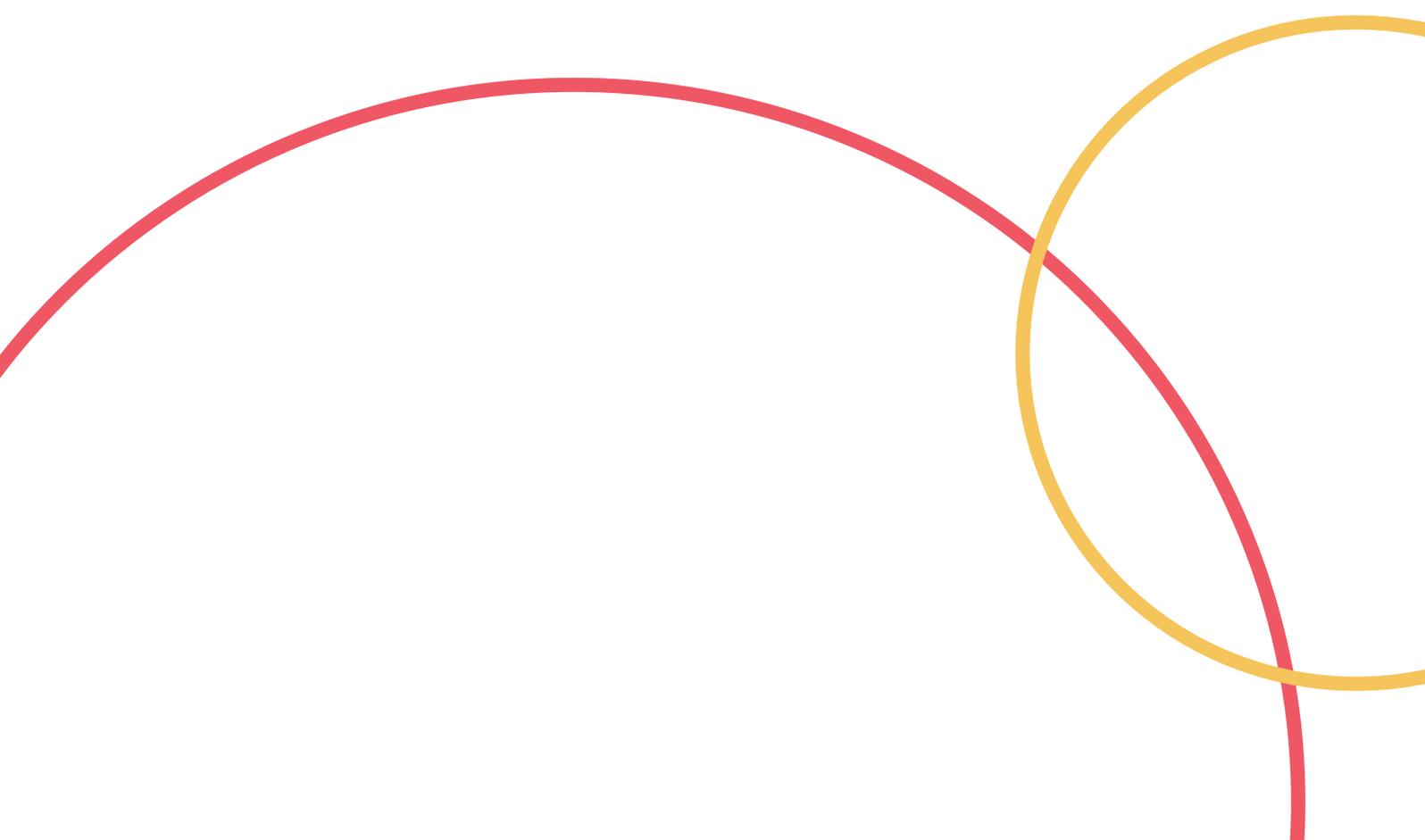


COMMISSION ON A
**GENDER-EQUAL
ECONOMY**

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GROUP

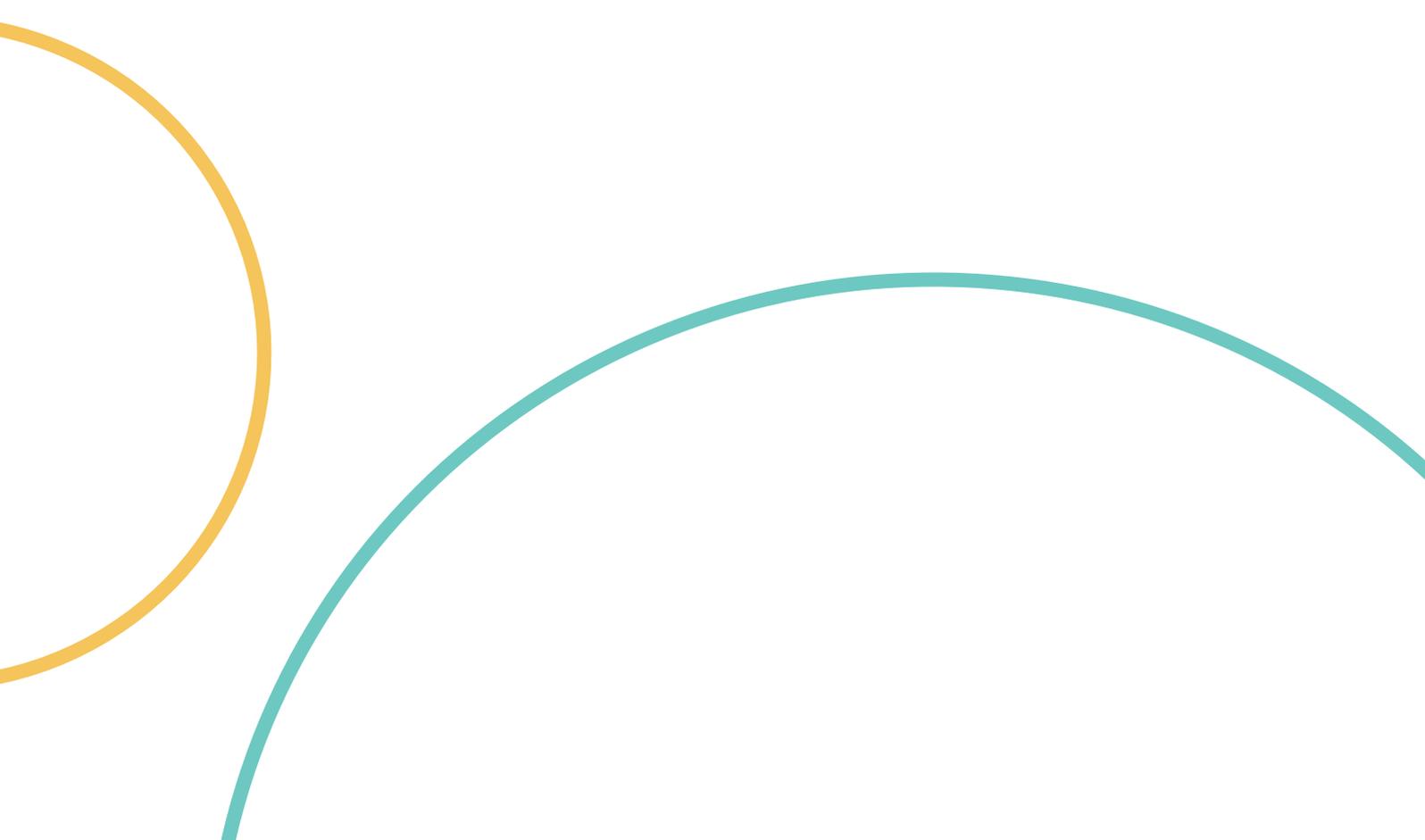
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Foreword

The final report of the Commission on a Gender-Equal Economy lands at a unique moment in global history. Reeling from the first wave of a deadly pandemic, perched on the precipice of a second wave and a deep and brutal recession, there was never a better time to ask: *do we really want to go back to business as usual?*

The Covid-19 pandemic has brought much to light.

When faced with crisis, care and kindness come to the fore. Almost overnight, people flocked to their doorsteps to clap for carers, to check in with vulnerable neighbours and to pin up pictures of NHS rainbows. Our interconnections and dependence on one another have never been clearer.

The key workers that have kept us going are low-paid carers, nurses, shelf-stackers, cleaners and delivery drivers. Key workers who were branded 'unskilled' earlier in the year have been heralded as heroes.

Government intervention is possible, and powerful. When confronted by the pandemic, governments across the four nations have chosen to put people's health first. The introduction of widespread restrictions have massively reduced economic output, but sought to ensure people would be safe; and borrowing to fund furlough schemes has kept up many people's incomes.

Crises do not impact everyone equally. While we may all be weathering the same storm, we are in drastically different boats. The virus has hit the most disadvantaged the hardest. Structural, intersectional inequality is embedded in our society, and it requires bold, concerted action to eliminate it.

Above all, **we, the people, make and sustain the economy and human life.** The economy is not a black box, something we cannot understand or influence, or separated from us. **We** are the economy. And we can do things differently. This understanding is empowering. It emboldens us to ask: *what kind of world do we want to create? What kind of economy do we want to make?*

It is not that what has been revealed is wholly new: but Covid-19 has shone a light so brightly on these realities that it is no longer possible to look away.

As we chart a new way forward, we must not forget that the crisis did not occur in a vacuum. We are faced with an unfolding technological revolution, impending climate catastrophe, and entrenched inequality and prejudice. The task ahead is big, but can no longer be delayed.

This report lays out a roadmap to building a new economy. Laying out the **what**, the **why** and the **how**, this report is a call to action: action from governments at all levels; action from businesses, including large firms and small cooperatives and social enterprises; action from charities and community organisations. Working together, across the four nations of the UK, at every level, we can design and demand a new economy: an economy which has the wellbeing of individuals, communities and the planet at its centre; an economy which values care, both paid and unpaid, as the activity that nurtures us all; an economy which ensures that no-one faces discrimination, violence, or poverty, and in which no-one is left behind, or pushed behind. This new economy is a **caring economy**.

Executive summary

A caring economy is an idea whose time has come. As the UK and its constituent countries face Brexit and continue to confront the Covid-19 pandemic, we present here a bold, innovative, transformative, and necessary alternative to our current economic model. While the ideas behind a caring economy have been a long time coming, they are now imperative, drawing on the lessons learnt from the Covid-19 crisis and reflecting what people across the UK want to see: an economy which puts people and planet first.

A caring economy is an economy which prioritises care of one another and the environment in which we live. It is a dynamic and innovative economy in which humans, and our shared planet, thrive. In a caring economy, everyone gives and receives care on the basis of their capacities and needs. Indeed, we all need care at various times in our lives. A caring economy ensures that everyone has time to care, as well as time free from care. A caring economy respects people's multiple roles as carers, community members, partners, parents and so on, alongside their roles as paid workers. A caring economy takes a fuller understanding of the different parts of human experience into account.

Good-quality care services, such as adult social care, healthcare and childcare are critical for a good economy. But a caring economy extends beyond care services: it involves caring about the pay and conditions of workers, acting together to end discrimination, deprivation and poverty and eliminate violence and abuse, and caring about the planet on which we live together. A caring economy means acting together to improve wellbeing rather than to maximise economic growth.

A caring economy means acting together to improve wellbeing rather than to maximise economic growth

A caring economy simultaneously ensures achievement of gender equality, sustainability and wellbeing (Figure 1). While these three objectives can, to some extent, be achieved separately, a caring economy allows them to be achieved together. For example, investment in paid care services improves wellbeing through ensuring that people's care needs are met; it improves gender equality because it raises the overall employment rate and reduces the gender employment gap (which are particularly crucial as we seek to counter the looming jobs crisis), and it is sustainable because care jobs are green. Care is a relatively green industry: investing in care is three times less polluting per job created overall than the equivalent investment in the construction industry.¹

The Covid-19 pandemic has given us some glimpses of what a caring economy might look like, in the ways that neighbourhood groups sprang up to support people especially vulnerable to the virus, and in the way air pollution levels drastically fell. But it has also showed us the many ways in which we have an uncaring economy, such as the lack of personal protection equipment for health and social care workers, the lack – for many

¹ WBG calculations using Eurostat data on environmental accounts from 2015. For more on investment in the care sector, see: Himmelweit, S. and J. De Henau (2020). A care-led recovery from coronavirus. UK Women's Budget Group (<https://bit.ly/3iZYqvp>)



Figure 1: A caring economy encompasses gender equality, wellbeing and sustainability

months – of adequate financial support for those asked to quarantine, the low pay and poor conditions for so many key workers, many of whom are from migrant and BAME communities, and the ways in which mothers have been expected to make up most of the shortfall in childcare, with detrimental impacts on their own wellbeing.

But these symptoms of an uncaring economy are caused by deep-rooted flaws of our current economic model, such as entrenched inequality, a neglect of wellbeing of people and planet, and an overwhelming focus on short-term financial interests, instead of long-term investment. Now, more than ever, a realignment of priorities is imperative. This is reflected in public opinion: there is strong public support for building a caring economy (Box 1).

Now, more than ever, a realignment of priorities is imperative

Box 1: Public support for building a caring economy²

There is **strong public support** for building a caring economy. Polling carried out by the Women's Budget Group ahead of the publication of this report showed:

- ▶ 68% of people in the UK say that **wellbeing** should be used to measure the success of economic policy
- ▶ 79% agree that a **better balance** is needed between paid work, caring responsibilities, and free time
- ▶ Over half (56%) believe **investment** in social care, health and education is **more important** to the future of the economy than investment in transport and technology
- ▶ Three in four agree that **economic equality between women and men** is the mark of a good society
- ▶ 82% of respondents agree that **social care** should be available to everyone based on their care **needs**, not their wealth
- ▶ Two in three agree that the Government should **encourage and financially support men to provide more care**

Government responses to the pandemic have also demonstrated their ability and willingness to borrow to fund current spending on public services, social security and new subsidies, such as the furlough scheme, to try to save lives, jobs and livelihoods. This policy must be maintained and directed to building a caring economy – particularly while interest rates are so low.

This report outlines **eight steps to create a caring economy**, based on gender equality, wellbeing, and sustainability.

These eight steps, along with some key recommendations, are as follows. These apply to the UK government, devolved governments, local authorities, and businesses of all kinds, as appropriate.

² Polling was carried out by Survation. 2052 interviews were conducted in the UK. Fieldwork took place between 3-10 September 2020. For more information see: <https://wbg.org.uk/category/media/press-releases/>

1 **Re- envision what we mean by 'the economy'**, so that the centrality of care to the economy is recognised. This means that the contribution of unpaid work as well as paid work is valued. It means that time is seen as important as well as money, wellbeing as well as output, and ecological limits as well as human innovations

- ▶ **Recognise** the economic **value** of **unpaid work**
- ▶ **Monitor progress towards the creation of a caring economy** using indicators
- ▶ **Reimagine costs, efficiency and productivity** so that social value, environmental value, wellbeing and unpaid time are taken into account, rather than only market value
- ▶ Assess all policies for their **impact** on people's abilities to receive and provide **care**, both **paid** and **unpaid**
- ▶ Ensure that the **impact of all economic policies on equalities** is properly assessed and bold action is taken to mitigate any negative impacts

2 **Invest in social and physical infrastructure**, so that public services address diverse needs on an equal basis, and allow people to flourish in a way which protects and values the planet

- ▶ Ensure **sustainable** and **adequate funding**, at **all levels** of government, of **public services**, and ensure that **procurement** prioritises equality, wellbeing and sustainability, above lowest financial cost
- ▶ Establish a free-at-the-point-of-use, high-quality **Universal Care Service**, financed centrally by the public purse, closely connected to the National Health Service (NHS), locally run in consultation with users, with a well-trained and well-paid care workforce
- ▶ Introduce **free, universal childcare provision**, including early childhood education and activities before and after school, offered year-round and on a full-time basis, with increased staff qualification levels and pay
- ▶ **Increase investment in healthcare**, and prioritise funding towards community and primary care, with stronger roles and representation and higher pay for nurses, healthcare assistants and other support staff
- ▶ Ensure that specialist **Violence Against Women and Girls (VAWG)** support providers are adequately funded, and the police response and criminal justice procedures relating to VAWG are overhauled
- ▶ Enable local authorities to build sufficient energy-efficient **social housing and genuinely affordable housing**, and strengthen **rights and protections of tenants** in the private sector

- ▶ Develop a **high-quality green public transport system** through increased investment, particularly in bus systems, organised in ways which support people combining paid and unpaid work
- ▶ Implement a **well-funded, caring education system** that prioritises wellbeing and challenges gender stereotypes, and ensure that sexual harassment and VAWG is eradicated from educational settings

3 Transform the worlds of paid and unpaid work, to provide not just more jobs, but better jobs. These jobs would enable women and men to share paid and unpaid work equally. They would provide a secure and living income; be environmentally sustainable; and be free from gender stereotypes and discrimination

- ▶ Make it easier for workers to **combine paid work and caring responsibilities**, through, for instance, introducing **equal legal entitlements to paid caring leave** for all employees and self-employed people, including equal sharing of parental leave in the first year of a child's life, and leave for caring for elderly/disabled people and older children when required
- ▶ Pursue innovative strategies to **reduce the full-time working week** to around 30 hours, while also providing 'living hours guarantees' to ensure workers have enough hours' work to meet their income needs
- ▶ Establish an **effective wage floor** by implementing a minimum wage which is based on the real cost of living
- ▶ Support **greater diversity and innovation** in forms of business **ownership**, including **cooperatives and social enterprises**

4 Invest in a caring social security system which is based on **dignity and autonomy**, and which helps to ensure people fulfil their capabilities and live a meaningful life, in and out of employment and regardless of migration status, throughout their lives

- ▶ Ensure that dignity is safeguarded by withdrawing punitive and unreasonable sanctions
- ▶ **Enhance autonomy** by enabling individuals to establish their own claim to benefits
- ▶ **Improve and extend individual non-means-tested benefits** to replace means-tested benefits wherever possible
- ▶ Ensure benefits meet the additional costs of caring for children and of living with disabilities are **non-means-tested** and **reflect the real level** of these costs
- ▶ Increase Carer's Allowance for those providing **long-term unpaid care**
- ▶ Implement a **universal basic income for retired people**, i.e. a non-earnings-related, non-contributory pension for all, that genuinely supports a decent standard of living

5 Transform the tax systems across the UK, to make them more progressive and fair, and to generate more revenue to invest in social security and social and physical infrastructure

- ▶ **Reform the systems** across the four nations so that they are more **progressive** and **raise more revenue**, including through abolition of poorly designed tax reliefs, allowances and exemptions which aid tax avoidance and mainly benefit better-off men
- ▶ **Overhaul the taxation of wealth and income from wealth**, including equalising the rate of capital gains tax with income tax and abolishing its additional tax-free allowance, taxing unearned income at the same rate as earnings, converting inheritance tax into a tax on lifetime gifts, and reforming council tax
- ▶ Bring the **corporation tax rate back up to 24%** and ensure multinational companies can't **avoid** it
- ▶ Reintroduce genuine **independent taxation of income** for each partner in a marriage or civil partnership

6 Refocus the overall fiscal and monetary policy framework on building a caring economy

- ▶ Do not re-adopt **restrictive targets** for government **borrowing** and reducing the budget deficit
- ▶ **Coordinate fiscal and monetary policy**, in order to **avoid austerity** and instead create and sustain a caring economy
- ▶ **Increase the borrowing powers** of **devolved** governments and **local** governments so that they can invest more in a caring economy
- ▶ Adopt **targets and indicators** directly related to **wellbeing, gender equality, and sustainability**

7 Work to develop a **trade system** that is **socially and environmentally sustainable**

- ▶ **Ensure that all post-Brexit trade and investment agreements guarantee no deterioration** of environmental, human rights and labour standards in the UK and our trading partners
- ▶ **Ensure the benefits of trade are shared, by assessing the impact** of trade and investment deals on equality and human rights, and taking action to support any groups who will be negatively impacted
- ▶ **Exclude public services** from trade and investment deals
- ▶ **Exclude investor protection provisions** in their current form from all future UK trade deals

8 Work to transform the **international economic system**, so that it is supportive of the creation of caring economies across the world

- ▶ Support the UN General Assembly in organising an International Economic Reconstruction and Systemic Reform Summit, to promote **global transformation** in light of the crises triggered by the Covid-19 pandemic
- ▶ Support the establishment of an **intergovernmental UN tax body**, with equal participation of all countries, to break the deadlock in efforts to eliminate global tax evasion and avoidance
- ▶ Address the debt crisis in developing countries by supporting the basic principles for a **sovereign debt restructuring process, agreed upon in 2015**
- ▶ Ensure that all UK **Overseas Development Assistance** supports the achievement of gender equality, wellbeing and sustainability in recipient countries

The Commission on a Gender-Equal Economy

The Commission on a Gender-Equal Economy was established by the UK Women's Budget Group in spring 2019, with the objective of developing a vision of, and roadmap towards, a new economy based on gender equality, care, wellbeing and sustainability. The Commission travelled across the four nations of the UK, gathering evidence, holding consultation sessions with local women's and equalities organisations, researchers and policy experts, and engaging with politicians and civil servants on what a future economy could, and should, look like.

Across the four nations, the Commission found there to be both commonalities and significant divergence. The Commission recognises that the context of the UK is changing and will continue to change. Our proposals are relevant for all four nations of the UK. They are contingent on political will and are to be operationalised at the appropriate level of governance.

Throughout the report, *Voices from the frontline* boxes quote the contributions of the participants in the consultation sessions that we held across the four nations with local women's and equalities organisations.

Unless otherwise stated, statistics refer to the whole of the UK.

The Commissioners:

- ▶ Professor Diane Elson, Emeritus Professor of Sociology, University of Essex, and Chair of the Commission
- ▶ Alison Garnham, Chief Executive, Child Poverty Action Group
- ▶ Dr Angela O'Hagan, Reader in Equalities and Public Policy, Glasgow Caledonian University
- ▶ Ann Pettifor, Director, Policy Research in Macroeconomics (PRIME)
- ▶ Duncan Fisher, campaigner for child welfare and climate action
- ▶ Eugenia Migliori, Principal Policy Adviser, Confederation of British Industry (CBI)
- ▶ Dr Faiza Shaheen, Director, The Centre for Labour and Social Studies (CLASS)
- ▶ Professor Gary Dymski, Professor of Applied Economics, University of Leeds
- ▶ Lynn Carvill, Chief Executive, WOMEN'STEC
- ▶ Natasha Davies, Policy and Research Lead, Chwarae Teg
- ▶ Neal Lawson, Executive Director, Compass
- ▶ Rebecca Omonira-Oyekanmi, freelance journalist
- ▶ Sam Smethers, Chief Executive, Fawcett Society

- ▶ Sarah Veale, former Head of Equality and Employment Rights, Trades Union Congress
- ▶ Professor Susan Himmelweit, Emeritus Professor of Economics, Open University
- ▶ Dr Shola Mos-Shogbamimu, solicitor and founder, Women in Leadership
- ▶ Dr Zubaida Haque, former Deputy Director, the Runnymede Trust

Commissioners serve in an individual capacity, and this report should not be taken as representing the views of the organisations with which they are affiliated.

Individual members of the Commission agree with the broad thrust of the arguments made in this report, but they should not be taken to agree with every word or recommendation.

A note on the limitations of language and data

We recognise the inadequacies of language to meaningfully and respectfully convey the human experience in all its diversity.

The term **gender** has multiple meanings, including both an oppressive hierarchical structure of norms, roles and expected behaviours imposed on people on the basis of their sex, and an internal sense of being a man or a woman or non-binary person. In this report, we use **gender** in its structural sense, and **gender identity** when referring to identities.

Data is critical to understanding, and ultimately eliminating, inequalities. We recognise that using broad groupings such as 'Black, Asian and Minority Ethnic (BAME)' can homogenise and hide the vast differences in experiences of people within this grouping. While we use disaggregated data wherever possible, we call for data systematically disaggregated by racial/ethnic group, to enable analysis to be more accurate and to reveal intersecting inequalities.

There remain substantial data gaps regarding the experiences, relating to economic policy, of many marginalised groups within society, including LGBTQ+ people, intersex people and people with differences in sex development (DSD), Gypsy, Roma and Traveller communities, and refugees and asylum seekers. We call for more systematically collected data on the experiences of these people, so that we can understand and address the inequalities that different groups face.



Acknowledgements

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The UK Women's Budget Group would like to thank all of the Commissioners for their dedication and commitment to this project, particularly in their attendance of meetings and their shaping of this final report.

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3 All briefing papers are available here: WBG (2020) Papers for the Commission on a Gender-Equal Economy. UK Women's Budget Group. (<https://bit.ly/3cu6KkC>)

4 WBG (2020) The Commission on a Gender-Equal Economy. UK Women's Budget Group. <https://bit.ly/33V0Fdd>

Where we want to get to: a caring economy that puts people and planet first

A caring economy is an idea whose time has come. As the UK and its constituent countries face Brexit and continue to confront the Covid-19 pandemic, we present a bold, innovative, transformative, and necessary alternative. While the ideas behind a caring economy have been a long time coming, they are now imperative, drawing on the lessons learnt from the Covid-19 crisis and reflecting what people across the UK want to see: **an economy which puts people and planet first.**

What is a caring economy?

A caring economy is one which prioritises care of one another and the environment in which we live. It is a dynamic and innovative economy in which humans, and our shared planet, thrive. In a caring economy, care takes priority for all businesses, large or small, owned by shareholders, employees or members of cooperatives; for governments in the UK, England, Northern Ireland, Scotland and Wales; public agencies at all levels, cities, towns and counties; for all non-governmental organisations and community groups; for all families, neighbours and friends. In a caring economy, everyone gives and receives care on the basis of their capacities and needs.

Good-quality care services, such as adult social care, healthcare, and childcare are critical for a caring economy. But a caring economy extends beyond care services. It means caring about the pay and conditions of workers, especially the low paid, and acting together to ensure that all workers have decent work. It means caring about deprivation and poverty and acting together to bring them to an end. It means caring about tackling domestic violence and abuse, supporting those who have been subjected to it, and acting together to eliminate it. It means caring about our planet and acting together to ensure we do not pollute and degrade our air, water and soil. It means acting together to improve wellbeing rather than to maximise economic growth.

The Covid-19 pandemic has given us some glimpses of what a caring economy might look like, in the ways that neighbourhood groups sprang up to support people especially vulnerable to the virus, and in the way air pollution levels drastically fell. But it has also showed us the many ways in which we have an uncaring economy, such as the lack of personal protection equipment for health and social care workers, the lack – for many months – of adequate financial support for those asked to quarantine, the low pay and poor conditions for so many key workers, many of whom are from migrant and BAME communities, and the ways in which mothers have been expected to make up most of the shortfall in childcare, with detrimental impacts on their own wellbeing.

A caring economy simultaneously ensures achievement of gender equality, sustainability, and wellbeing (see figure 2).

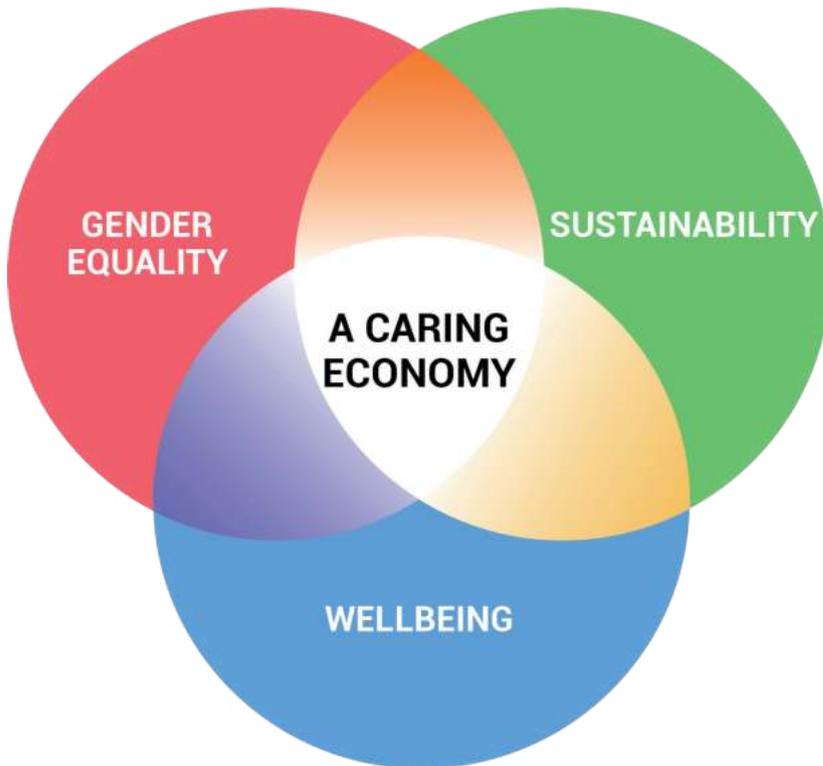


Figure 2: A caring economy encompasses gender equality, wellbeing and sustainability

Gender equality

Gender equality is a crucial element of a caring economy. Currently, providing care is not shared equally between women and men. Women are currently overrepresented in paid care work, such as adult social care and childcare, and also perform the majority of unpaid care work. Unpaid care work can be emotionally enriching and sustaining, allowing for the building and maintaining of strong and meaningful relationships between human beings. However, care, whether for children or adults, can also be tiring and emotionally taxing, whether it is care for children or adults – and no one should be expected to provide long hours of unpaid care as an obligation. Creating a caring economy requires building in time both free *to* care and time free *from* care, and ensuring that unpaid care is shared equally between women and men.

Creating a caring economy requires building in time both free *to* care and time free *from* care

In this vision of a caring economy, we act to achieve **substantive equality**. This means recognising that inequality is structural, embedded in social and economic institutions that have to be transformed. Substantive equality means equality is the substance of everyday life, not just equality in law. Substantive equality entails understanding that achieving equal outcomes not only requires equal treatment, such as equal pay, but also support for different needs, such as the provision of maternity services, and often

requires fundamental transformation, such as action to share unpaid care more equally between women and men.⁵ The concept of substantive equality has been adopted within international human rights frameworks (Box 2).

Box 2: Substantive equality and human rights

The Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) goes beyond formal equality and calls for substantive equality, as set out by the UN CEDAW Committee in its 2004 **General Recommendation 25**:

'In the Committee's view, a purely formal legal or programmatic approach is not sufficient to achieve women's de facto equality with men, which the Committee interprets as substantive equality.[...] the Convention requires that women be given an equal start and that they be empowered by an enabling environment to achieve equality of results. It is not enough to guarantee women treatment that is identical to that of men. Rather, biological as well as socially and culturally constructed differences between women and men must be taken into account. Under certain circumstances, non-identical treatment of women and men will be required in order to address such differences. Pursuit of the goal of substantive equality also calls for an effective strategy aimed at overcoming underrepresentation of women and a redistribution of resources and power between men and women [...].

The position of women will not be improved as long as the underlying causes of discrimination against women, and of their inequality, are not effectively addressed. The lives of women and men must be considered in a contextual way, and measures adopted towards a real transformation of opportunities, institutions and systems so that they are no longer grounded in historically determined male paradigms of power and life patterns.¹⁶

This approach has also been adopted by the UN Committee on Economic, Social and Cultural Rights in relation to the principle of non-discrimination in the International Covenant on Economic, Social and Cultural Rights (ICESCR). The ICESCR stated in 2009 in **General Comment 20** that substantive equality requires:

'paying sufficient attention to groups of individuals which suffer historical or persistent prejudice instead of merely comparing the formal treatment of individuals in similar situations.' The ICESCR also uses the concept of systemic discrimination that is 'pervasive and persistent and deeply entrenched in social behaviour and organisation.'¹⁷

If we fail to adopt a structural approach to equality, we fall into the trap of settling for 'equality of opportunity', and assuming that if this is secured, differences in outcomes are the result of 'free choices'. This approach does not take into account structurally created and reinforced disadvantage, and fuels divisions between the 'deserving' and the 'undeserving'. Instead, we recognise that the choices that people make do not

5 Fredman, S. and Goldblatt, B. (2015) Discussion paper: Gender Equality and Human Rights, No.4. UN Women. <https://bit.ly/2RSKkXd>; Fredman, S. (2016) Substantive Equality Revisited. International Journal of Constitutional Law, Volume 14, Issue 3, pp 712–738. <https://bit.ly/2EAckWc>

6 United Nations Office of the High Commissioner on Human Rights (2004) General recommendations adopted by the Committee on the Elimination of the Discrimination against Women. United Nations Treaty Body Database. <https://bit.ly/3jdCxsN>

7 United Nations Committee on Economic, Social and Cultural Rights. (2009) General Comment No. 20: Non-discrimination in economic, social and cultural rights. United Nations Treaty Body Database. <https://bit.ly/306MCjr>

occur within a vacuum, but instead within a complex social structure which is shot through with inequalities, social norms, expectations, discrimination, prejudices and assumptions – such as the assumption that women freely choose to care for others or enter low-paid occupations. In a caring economy, structural inequalities would be tackled so that people would enjoy more agency, and real and rewarding choices. An end to restrictive gender roles would give each person a greater chance of being the person they wish to be. It would have positive implications for everyone.

Acting to achieve substantive equality requires an intersectional perspective, which means acknowledging the deep and powerful connections between structural gender inequality and other structures of oppression. These intersections result in unique constellations that include not just gender, but also race, class, disability, age, sexual orientation, gender identity, gender expression, caste, appearance, marital status, religion or belief, nationality, migration status, and colonial experience, among others.

Applying an intersectional perspective means acknowledging the multiple layers of structural inequality, identity and experience which shape a human life. Marai Larasi and Dorett Jones of Imkaan warn that *'to ignore these intersections is tantamount to prioritising a single aspect of a girl/woman's reality at the expense of others'*.⁸

Applying an intersectional perspective means acknowledging the multiple layers of structural inequality, identity and experience which shape a human life

In a caring economy, therefore, gender inequality cannot be addressed in isolation from other forms of inequality.

Sustainability

A caring economy is a sustainable one. It builds in care for the environment and ensures our activities are sustainable and compatible with the ecological limits of the planet. It means that we act together to decarbonise the economy and invest in new green technologies and jobs, in energy, transport and housing. In particular, a caring economy will ensure a fairer distribution of these jobs, so that women, young people, Black, Asian and Minority Ethnic people, and disabled people are trained in the skills required for working in green jobs in energy, transport and housing. These jobs will also be designed to take account of caring responsibilities.

At the UK level, there are climate change targets in place, such as aiming to reduce greenhouse gas emissions by 57% by 2030 (when compared with 1990 levels), and a legally binding target to hit net-zero emissions by 2050. However, the Scottish government has gone beyond these to set higher targets of emission reductions by

⁸ Imkaan is a UK-based, Black feminist organisation. Imkaan is the only national second-tier women's organisation dedicated to addressing violence against Black and minoritised women and girls i.e. women and girls which are defined in policy terms as Black and 'Minority Ethnic' (BME). For more information, see: www.imkaan.org.uk. Quotation from: Larasi, M. and L. Jones (2017). Tallawah: a briefing paper on black and 'minority ethnic' women and girls organising to end violence against us. Imkaan. <https://bit.ly/3cqkQDE>

75% by 2030 and to achieve net-zero emissions by 2045. Both in Scotland and at the UK level, progress towards this target has already been made, with greenhouse gas emissions already about half of what they were 30 years ago, but there is still much to be done.⁹ New models such as doughnut economics (Box 3) are helpful to envision where we need to get to in terms of achieving environmental and social sustainability.

Box 3: Doughnut economics

The doughnut economics model,¹⁰ developed by Kate Raworth, demonstrates how we can – and must – live within the limits of the earth's ecosystem, and above the minimum social standards that we need to live a thriving, fulfilling life. The 'doughnut' ring represents the space in which both minimum social foundations are met, while not living beyond environmental limits. The model aims to create a circular economy that we can all thrive in, rather than constant never-ending growth.

A key step to meeting our climate change targets is boosting employment in sectors that are already low carbon, such as care services. Investment in care is three times less polluting per job created overall than the equivalent investment in the construction industry.¹¹ Rebalancing the economy towards caring activities is more environmentally sustainable.

Proposals for a Green New Deal, which connect the climate crisis with the need for a new economy, have been many and varied, but have often fallen short of integrating a gender equality perspective into their demands.¹² Central to feminist ecological economics is the principle that gender equality must not be achieved at the expense of ecological degradation, and at the same time, environmental sustainability must not be achieved by exploiting feminised labour, particularly unpaid care. This is a key element of a caring economy: we must ensure that sustainability and gender equality are both taken into account and that one does not compromise the other.

Wellbeing

A caring economy is one that achieves wellbeing for all.¹³ Wellbeing is understood as enjoying a good quality of life and flourishing for all people.¹⁴ A caring economy achieves this on a gender-equal and sustainable basis, ensuring that all people, and the planet, thrive.

Already, a majority of Britons support prioritising health and wellbeing over economic

9 BBC News (2020). Is Scotland leading the way on climate change? 4 February. <https://bbc.in/304iHbE>; Committee on Climate Change (2019). *Reaching Net Zero in the UK*. <https://bit.ly/3j1mldH>

10 Raworth, K. (2020) Exploring Doughnut Economics. <https://bit.ly/3i3Y31w>

11 Himmelweit, S. and J. De Henau. (2020) A Care-led recovery from coronavirus. UK Women's Budget Group. <https://bit.ly/2FWjzIC>

12 Cohen, M. and S. MacGregor (2020) Towards a feminist green new deal for the UK. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/365ByH1>

13 Trebeck, K. (2020). Supporting but not synonymous: the wellbeing economy and a gender-equal economy. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3i3ozYO>

14 Hough-Stewart, L. et al. (2019). What is a wellbeing economy? Wellbeing Economy Alliance. <https://bit.ly/3mlkAEC>

growth after the pandemic has subsided.¹⁵ Indeed, prioritising wellbeing is already underway in both Scotland and Wales; both governments are part of the Group of Wellbeing Economy Governments (Box 4).

Box 4: The Group of Wellbeing Economy Governments¹⁶

The Group of Wellbeing Economy Governments (WEGo) is a group of governments who, since 2018, have begun to take steps towards integrating wellbeing into their approach to economic policy. WEGo currently comprises Iceland, Scotland, New Zealand, and Wales. The objectives of the Group are to collaborate in pursuit of innovative policy approaches to create wellbeing economies, to progress towards the UN Sustainable Development Goals, and to address contemporary economic, social and environmental challenges.

Each of the governments in the Group has developed monitoring frameworks to measure wellbeing: Iceland's Indicators for Measuring Wellbeing; Scotland's National Performance Framework; New Zealand's Living Standards Framework Dashboard; and Wales' National Wellbeing Indicators. Wales also has the Wellbeing of Future Generations Act, which provides a legislative framework requiring all public bodies to consider the impact of their decisions on people's wellbeing and to safeguard future generations. The Act encompasses environmental, social, economic and cultural wellbeing and sustainability.

Lessons already emerging from the experiences of these countries suggest that while a wellbeing approach may be supportive of a gender-equal economy, the two concepts are not synonymous¹⁷. For example, in the New Zealand Wellbeing Budget, although the wellbeing indicators include matters highly relevant to the achievement of gender equality, such as domestic violence, discrimination and unpaid work, the objective of gender equality is not a direct driver of how resources were allocated. In a caring economy, gender equality would be 'mainstreamed' into the wellbeing agenda, to make sure that policies do not inadvertently reinforce gender stereotypes, discrimination, or inequality, such as relying on women to prioritise the wellbeing of others at the expense of their own wellbeing.

A further issue is that sometimes wellbeing is considered only in subjective, individual terms.¹⁸

However, in a caring economy, we would act together to tackle the structural impediments to wellbeing, not only to treat the symptoms. Efforts would focus on tackling the causes of stress and anxiety, not only on improving treatment for stressed and anxious people.

15 The Guardian (2020) Britons want quality of life indicators to take priority over economy. 10 May. <https://bit.ly/2GaSDV5>; All Party Parliamentary Group on a Green New Deal (2020) Time to Reset: the public desire for a fairer, greener Britain after Covid. <https://bit.ly/34bsD4D>

16 Wellbeing Economy Alliance (2020) Our work: Wellbeing Economy Governments. <https://bit.ly/3kHqC6E>

17 Trebeck, K. (2020). Supporting but not synonymous: the wellbeing economy and a gender-equal economy. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3i3ozYQ>; WBG (2020) Webinar: putting gender equality at the heart of the wellbeing economy. <https://bit.ly/330Llwh>

18 Trebeck, K. (2020). Supporting but not synonymous: the wellbeing economy and a gender-equal economy. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3i3ozYQ>

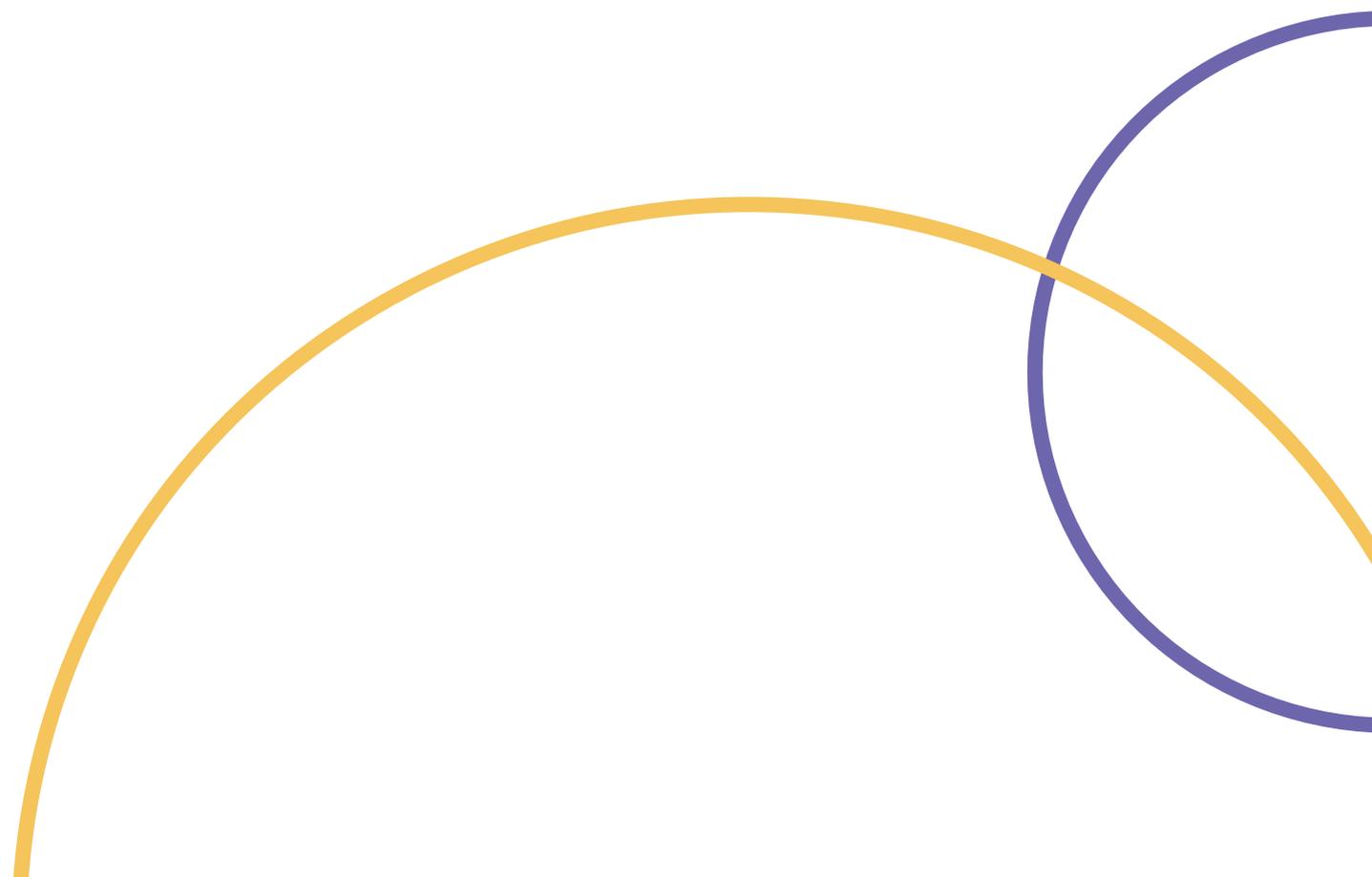
A vision for all

A caring economy cares for all those who live in the UK regardless of their legal status; not just those who have citizenship, but also migrants, refugees, and asylum seekers. A caring economy takes into account that the UK is composed of four nations and learns from their different experiences and divergent approaches. A caring economy also aims to reduce other forms of inequality beyond gender inequality, based on race, disability, class, age, sexual orientation, gender identity, religion and belief, among others.

A caring economy cares for all those who live in the UK regardless of their legal status

This vision is intended to be enabling: it sets out principles and recommendations for a caring economy, but the details of its operation would be shaped and adapted according to varying experiences, through deliberative processes, including at the national, local or community level.

We also recognise that the extent to which a caring economy in the UK can be achieved is dependent on how international rules, relations and regulations facilitate this. The building of a caring economy in one country or region cannot be completed without transformations of international trade and finance.



How would people benefit from a caring economy?

These scenarios give a sense of what changes a caring economy could bring for different groups of people.

Sofi, 74, is a retired teacher. In a caring economy, Sofi, who is disabled, receives free, high-quality care which enables her to live her life to the full. She has a close relationship with her carer, Lola, which they have built up over several years. Lola always has plenty of time for her, and is well-supported by her colleagues and managers.

Malik, 29, is waiting for his asylum claim to be processed. In a caring economy, he is able to work now that restrictions on asylum seekers working have been lifted. He has an eight-month-old baby and can take leave to spend time with her, now that equal parental leave has been introduced, and the 'no recourse to public funds' restriction has been scrapped.

Mel, 35, is a lone mother who has three children under six. In a caring economy, free universal childcare enables her to work. She takes the bus to work, which is very affordable and runs reliably and frequently. She earns the Real Living Wage, and has guaranteed working hours, meaning she can plan ahead and take her youngest child swimming every week.

David, 16, is deciding what he wants to do after his exams. In a caring economy, he gets regular careers advice at school, and is hoping to be accepted on a health and social care apprenticeship. His auntie, his main carer, tells him that when she was younger, not many boys would have chosen health and social care. David thinks that's strange – why wouldn't boys want to pursue such a valued career?

Sim, 38, works in local government. They've noticed that since it's become a statutory requirement to assess all policies for the impact they will have on people's abilities to provide and receive care, it's become a lot more common for colleagues to discuss their own caring commitments and adjust their working hours accordingly. As a result, Sim's colleagues have become more open about what is going on in their lives, and workplace stress levels have reduced.

John, 41, is a lawyer. Since the working week was reduced to 30 hours, he has been able to look after his four-year-old twins every Friday, when they aren't in childcare. He loves looking after them and finds he has more energy than when he used to work much longer hours.

Shannon, and her partner Robyn, both 23, have recently been allocated a brand new council-owned, socially rented flat. It's part of a new social housing investment project in the area, where all social homes are energy-efficient. They can't wait to have their friends over to their lovely new home.

Where we are now: obstacles to achieving a caring economy

Entrenched inequalities

Inequalities are entrenched in the UK economy. The UK economy in its current form is built on, generates, and reinforces, inequalities.

Gender inequality is still all-pervasive in the UK economy

Gender inequalities result from structures which connect, strengthen and reinforce one another. A major cause of gender inequalities lies in the unequal, gendered division of unpaid care and domestic work. The fact that on average, women carry out 60% more unpaid work than men means that they are less able to participate in the paid labour market.¹⁹ Women's employment rate is 73%, compared to 80% for men.²⁰

In 2019, the gender pay gap for full-time employees was 8.9%, and 17.3% for all employees.²¹ One of the key reasons for the gender pay gap is that women are more likely to be in low-paid sectors and insecure employment, making up the majority of low-paid earners, part-time employees, temporary workers, zero-hours contract workers, and part-time self-employed workers:²² these compound to bring about a greater incidence of poverty among women, who have fewer assets and lower incomes over their lifecycle.²³ At the same time, these gender inequalities in the paid economy work to reinforce the unequal division of unpaid care. Moreover, social norms, and the ways in which jobs are designed, reduce the likelihood of men taking on more unpaid care work and spending more time with their families, even though many would like to. Dismantling the structures and conditions that reproduce inequalities in unpaid care and domestic work will have positive implications for everyone.

Underpinning the gender pay gap is the concentration of women in low-paid occupations, but occupational segregation also means men are more concentrated in jobs with high rates of fatal injuries at work, in agriculture, forestry and fishing, construction and manufacturing. In 2019–20, 97% of all workers who suffered fatal injuries at work in Britain were men.²⁴

VAWG is another deep-seated form of gender inequality, with strong links to women's economic inequality.²⁵ There is a correlation between poverty and higher rates of domestic abuse,²⁶ and poverty can also prolong women's exposure to abuse by reducing their ability to leave violent relationships. At the same time, abusive

19 ONS (2016). Women shoulder the responsibility of unpaid work. <https://bit.ly/2KBdnG9>

20 ONS (2020). Female employment rate (aged 16–64, seasonally adjusted.) Office for National Statistics. <https://bit.ly/2SmOujw>; ONS (2020) Male employment rate (aged 16–64, seasonally adjusted.) <https://bit.ly/2UtUTvN>

21 WBG (2020). Women, employment and earnings. <https://bit.ly/2R4d4pj>

22 Ibid.

23 WBG (2020) Spirals of Inequality: How unpaid care is at the heart of gender inequalities. <https://bit.ly/32YITHz>

24 Health and Safety Executive (2020). Workplace fatal injuries in Great Britain, 2020. <https://bit.ly/36boGPE>

25 WBG (2018). The Female Face of Poverty. <https://bit.ly/2P4yX7C>

26 ONS (2018). Domestic abuse: findings from the Crime Survey for England and Wales, year ending March 2018. <https://bit.ly/2qsBmiW>

relationships entrench disadvantage by limiting opportunities for paid work. In this way, violence against women is both a cause and consequence of women's economic inequality. Domestic abuse soared during the Covid-19 lockdown in spring 2020, with triple the number of women and girls killed in suspected domestic homicides compared to the same period in 2019.²⁷ Refuge has seen a 950% increase in visits to its website, where women can arrange a safe time to be contacted.²⁸

Class inequality is deeply embedded

Poverty stems from class inequality that is deeply embedded in the UK, with social mobility stalling since the 1990s. Wage and wealth inequality is rising in the UK,²⁹ as is the gap between the richest and poorest.³⁰ A 2018 OECD report showed how it can take at least five generations, or 150 years, for the child of a poor family in the UK to earn the average national income, and that children of high-earning parents are far more likely to be high earners themselves than are children of low income parents.³¹ At the same time, we are witnessing a rise in regional inequality within the UK: Camden and the City of London, the richest part of the UK, is now 30 times richer than the poorest (Ards and North Down in Northern Ireland).³²

Systemic racism remains deep-rooted

Campaigners have long called for institutional recognition of the role that the UK played in slavery, and reflection on the connections between colonialism, the slave trade, and racial inequalities and prejudice in the UK today. The 2018 Windrush scandal and the 2020 Black Lives Matter demonstrations have shed further light on the ongoing systemic racism which permeates British society. Unemployment rates for people from ethnic minority communities are approximately double those for white people,³³ and Black school leavers are half as likely to attend a Russell Group university than white school leavers.³⁴ People from ethnic minority backgrounds are more likely to live in poverty than white people,³⁵ and the austerity policies of social security and tax changes and public services cuts implemented by UK governments since 2010 have disproportionately affected Black, Asian and Minority Ethnic (BAME) women.³⁶ The Covid-19 pandemic has brought to light the racialised impacts of the pandemic: death rates from Covid-19 have been highest among BAME communities.³⁷ In May 2020, 65% of BAME women and 74% of BAME men working outside the home feared for their health when going out to work.³⁸

Disabled people in the UK face considerable challenges in living an autonomous, safe

27 The New York Times (2020). As Domestic Abuse Rises, U.K. Failings Leave Victims in Peril. 2 July. <https://nyti.ms/2RVJ11X>

28 Refuge (2020). Refuge reports further increase in demand for its National Domestic Abuse Helpline services during lockdown. 27 May. <https://bit.ly/306ZpSZ>

29 ONS (2019). Household income inequality, UK: financial year ending 2019. <https://bit.ly/2RXDFok>

30 The Guardian (2018). How unequal is Britain and are the poor getting poorer? 5 September. <https://bit.ly/3cr5T42>

31 OECD (2018). A Broken Social Elevator? How to Promote Social Mobility. <https://bit.ly/300sUGb>

32 The Economist (2020). Why Britain is more geographically unequal than any other rich country. <https://econ.st/362FsR0>

33 Gov.uk (2019). Ethnicity facts and figures: employment. <https://bit.ly/3mRUyia>

34 Equality and Human Rights Commission (2018). Race report statistics. <https://bit.ly/342obVM>

35 Ibid.

36 WBG (2018). Intersecting inequalities: the impact of austerity on Black and Minority Ethnic women. <https://bit.ly/32Z06ja>

37 Gov.uk (2020). COVID-19: review of disparities in risks and outcomes. <https://bit.ly/36adWkV>

38 WBG (2020). New data reveals crisis of support for Black, Asian and Minority Ethnic women. <https://bit.ly/3j159Fo>

and dignified life

Advocates of the social model of disability propose that what makes a person disabled is not their impairment, but the attitudes and structures of society, which exclude, ignore, stereotype, or in some other way prevent people from fully participating in society. Indeed, disabled people are less likely to be in employment,³⁹ and are more likely to live in poverty.⁴⁰ Disabled women earned 24.8% less per hour than non-disabled men on average in 2018.⁴¹ Almost one in two disabled women will be abused in their lifetime, yet they face additional barriers in accessing help and support, and specialist services for disabled survivors of violence are extremely scarce.

These inequalities are entrenched, and there are many additional structures of inequality which compound those discussed above (including those noted in previous sections). These inequalities cannot be understood or dismantled without understanding their intersectional nature.

A caring economy would attend to the different needs and circumstances of all people, in order to ensure that everyone's needs are valued and taken into account and structural inequalities are ended.

Neglect of people and planet

The wellbeing of people and planet are neglected in the current approach to the economy. Broadly, the UK economy focuses on economic growth, profitability and competitiveness rather than wellbeing. Our current economic model values people on market terms, not human terms, which has led to exclusion from prosperity, good health, and a sustainable life for many people.⁴²

Our current economic model values people on market terms, not human terms

Poverty is widespread

Currently, 30% of children⁴³ live in poverty across the UK. This is higher within certain groups: children from Black, Asian and Minority Ethnic groups⁴⁴ and children living in lone-parent families⁴⁵ are far more likely to be living in poverty. These trends cannot be viewed in isolation from the structural inequalities outlined in the previous section: 90% of lone parents are women,⁴⁶ and given that women are likely to earn less, use social security more, and have lower savings, it is unsurprising that children in lone-parent

39 ONS (2019). Disability and employment, UK: 2019. <https://bit.ly/32769Et>

40 Disability Rights UK (2020). Nearly half of everyone in poverty is either a disabled person or lives with a disabled person. <https://bit.ly/306GO9M>

41 ONS (2018). Disability pay gaps in the UK: 2018. <https://bit.ly/2R6RQHF>

42 Wilkinson, R. and K. Pickett (2009). The Spirit Level: Why More Equal Societies Almost Always Do Better. Bloomsbury Press.

43 Poverty refers to relative low income after housing costs, where relative low income is calculated as household income as less than 60% of the median in that year. House of Commons Library (2020). Poverty in the UK: statistics. <https://bit.ly/366TT6W>

44 Child Poverty Action Group (2020). Child poverty facts and figures. <https://bit.ly/3j08CUx>

45 Ibid.

46 WBG (2019). DWP data reveals: women and children continue to be worst affected by poverty. <https://bit.ly/2xHdxHj>

families have higher incidences of poverty. Similarly, we see the higher unemployment rates and higher poverty rates among adults from Black, Asian and Minority Ethnic groups playing out here in higher levels of child poverty among these communities.⁴⁷

The Scottish government has introduced statutory child poverty targets, so that by 2030 less than 10% of children in Scottish households will be living in relative poverty. The National Wellbeing Indicators⁴⁸ in Wales measure child poverty, but in the latest report, there had been a small increase in child poverty rates.⁴⁹

Many people do not enjoy good health

Increases in life expectancy have stalled in England for the first time in more than 100 years, with similar patterns in Scotland,⁵⁰ Wales⁵¹ and Northern Ireland.⁵² In England, on average women's life expectancy declined in the most deprived 10% of neighbourhoods between 2010–12 and 2016–18, and there were only negligible increases in male life expectancy in these areas. This decline in women's life expectancy took place in every region except London, the West Midlands and the North West.⁵³

64% of UK adults are classified as overweight or obese.⁵⁴ The drug-related death rate per capita in Scotland is higher than all EU countries, and is around four times that of England and Wales.⁵⁵ The UK's deprived communities are also more likely to struggle with the health impacts of obesity,⁵⁶ and with poor mental health.⁵⁷ Girls living in deprived areas are more likely to self-harm.⁵⁸ According to the UK Office of National Statistics' programme on measuring national wellbeing, in the year 2015–2016, around half of people aged 16 and over in the UK reported themselves satisfied with their health, but almost one in five showed some evidence of anxiety or depression.⁵⁹

The Covid-19 crisis has exposed stark inequalities in health outcomes. Covid-19 has had a higher impact in the most deprived areas of England, Wales and Scotland.⁶⁰ Two-thirds of the people who died from Covid-19 in March–July 2020 were disabled people.⁶¹ As discussed above, death rates from Covid-19 have been higher for Black, Asian and Minority Ethnic people than white people.⁶² However, racial inequalities in health outcomes have been known about for some time: for example, Black women are more than five times more likely to die in pregnancy or up to six weeks postpartum

47 Child Poverty Action Group (2020). Understanding and responding to ethnic minority child poverty. <https://bit.ly/33Zag2m>

48 Gov.wales (2019). Well-being of Wales: national indicators. <https://bit.ly/3038g88>

49 Statistics for Wales (2019). Well-being of Wales 2018–19. <https://bit.ly/3j09ngl>

50 BBC News (2019). Scottish life expectancy improvements stall. 14 August. <https://bbc.in/3j1EWq6>

51 NHS Wales and Public Health Wales Observatory (2020) Life expectancy and mortality in Wales. <https://bit.ly/368icRJ>

52 Department of Health, Northern Ireland (2019). Life expectancy in Northern Ireland 2016–18. <https://bit.ly/3cqGgR5>

53 Institute of Health Equity (2020). Health Equity in England: The Marmot Review 10 Years On <https://bit.ly/3kGeZNa>

54 OECD (2019). Health at a glance 2019: United Kingdom. <https://bit.ly/368sqL4>

55 BBC News (2020). Scotland's drug death crisis in six charts. 26 February. <https://bbc.in/33WeF6v>

56 NHS UK (2018). Children from poorer backgrounds more affected by rise in childhood obesity. 21 March. <https://bit.ly/3m0OyXv>

57 Mental Health Foundation (2016). Poverty and mental health. <https://bit.ly/33Vi7OF>

58 The Guardian (2020). Poverty and debt driving young women to self-harm – survey. 26 May. <https://bit.ly/36cnED0>

59 ONS (2018). Well-being dashboard. <https://bit.ly/3mP9ON0>

60 The Guardian (2020). Calls for health funding to be prioritised as poor bear brunt of Covid-19. 1 May. <https://bit.ly/3kMp23m>; The Guardian (2020). People in deprived areas of Scotland more likely to die from Covid-19. 13 May. <https://bit.ly/2EwaCoB>

61 Disability Rights UK (2020). Disabled people make up two thirds of Coronavirus deaths – ONS. 24 September. <https://bit.ly/3j3J3SB>

62 Public Health England (2020). Disparities in the risk and outcomes of Covid-19. <https://bit.ly/33ZgqzE>

compared with white women. Women of mixed ethnicity have three times the mortality risk and Asian women have almost twice the risk.⁶³

The current economic model is unsustainable

Both the UK and the global economy are organised in ways that lead to high levels of carbon emissions and global temperatures, increasing at unsustainable rates.

Across the UK, air pollution is causing a health crisis,⁶⁴ and contributes to 40,000 deaths⁶⁵ every year, chiefly in deprived areas. Extreme weather and devastating floods have become more frequent in recent years. Unsurprisingly, the impacts of the climate emergency are not equally felt: older people, the very young, people in poor health, tenants, socially isolated people, and people on low incomes tend to be worst affected.⁶⁶

A focus on short-term financial interests

In recent decades, corporate ownership across the UK has undergone a dramatic transformation. An increasing proportion of businesses in the UK economy do not invest in productive assets, creating employment, wages and profits. Instead, they are 'rentiers', primarily making money by buying and selling existing assets, many of which were created using, at least in part, public money, and at public risk. These include financial assets, property, care homes, railway companies, gyms, and football clubs; rentiers use these assets to extract rent, interest payments, fees, dividends, and capital gains, while seemingly making only small profits.

Increasingly, businesses in the UK economy do not invest in productive assets, but instead make money by buying and selling existing assets

The current economic system results in transfers to the world's richest

For example, while the UK care home industry is said to be on the brink of collapse, an estimated £1.5bn (10% of total annual revenue) leaks out of this industry annually in the form of rent, dividend payments, net interest payments out, directors' fees, and profits before tax.⁶⁷ This is equivalent to the £1.5bn of additional funding for social care promised by the government in the September 2019 Spending Review. What we witness, therefore, is essentially extensive transfers to the world's richest through the servicing of vulnerable people's basic needs, financed by taxes and lifetimes' savings.⁶⁸

The largest care home group, HC-One, has a complex corporate structure like many

63 Royal College of Obstetricians & Gynaecologists (2020). RCOG Position Statement: Racial disparities in women's healthcare. 6 March. <https://bit.ly/2FXSB3h>

64 Sustrans (2020). Air quality. <https://bit.ly/3mK3bvr>

65 Living Streets (2020). Air pollution. <https://bit.ly/3kPv4Av>

66 Climate Just (2017). Socially vulnerable groups sensitive to climate impacts. <https://bit.ly/3j0ykZj>

67 Centre for Health and the Public Interest (2019). Plugging the leaks in the UK care home industry: strategies for resolving the financial crisis in the residential and nursing home sector. <https://bit.ly/33UoVfv>

68 For more, see Bayliss, K. and J. Gideon (2020). The privatisation and financialisation of social care. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3663sCQ>

private equity-owned businesses, containing a web of more than 50 companies – six of which are registered in the Cayman Islands or Jersey. Despite declaring a loss every year except one since its creation in 2011, HC-One paid dividends of £48.5 million in 2017–2019.⁶⁹

Quarterly capitalism leaves little room for long-term investment

Rentiers are not motivated by long-term investment to create resilient economies that can cope with pandemics, ensure wellbeing for all, and address the climate emergency. Long-term investment in the skills of a diverse workforce is not a priority for this type of business model, nor does it recognise the interests of a variety of stakeholders beyond their directors and shareholders. The Bank of England estimated in 2017 that only one in four businesses prioritises investment as a use of internal funds.⁷⁰ Instead, rentiers are interested in very short-run financial gains, an approach that has been dubbed 'quarterly capitalism.'⁷¹ These trends have been reinforced by the behaviour of UK banks, which make the bulk of their loans for land and property, not for productive assets.⁷²

Some large businesses have challenged these trends. Certified 'B Corps' are businesses which are legally required to consider the impact of their decisions on their workers, customers, suppliers, community, and the environment. Other companies have demonstrated that they are willing to support their employees who have care responsibilities and invest in a diverse workforce (see Box 5 for examples).

Box 5: Companies investing in their workforce

At **Aviva**, all new parents are entitled to up to 26 weeks of parental leave at full pay, with another six months of unpaid leave available too. Parents can also take an additional five hours' leave per week, on top of their leave allowance, for their first 12 weeks following parental leave. 95% of new fathers take parental leave beyond the statutory two weeks, and the average length of leave taken is 22 weeks.⁷³

Eversheds Sutherland, a global law practice, developed the **Aspire** programme, which is a work experience opportunity that offers up to eight BAME law students a week-long paid placement. This programme actively targets students who have potential, but may not yet have been given an opportunity, to experience the legal profession in action.⁷⁴

There is also a range of worker-owned companies, cooperatives, and social enterprises that are concerned with the wellbeing of their employees, their subcontractors and the communities in which they operate. For example, Infinity Foods, a worker-owned

69 Smith, S. (2020). Termite Capitalism: how private equity is undermining the economy. Open Democracy. <https://bit.ly/2RWKtSZ>

70 Bank of England (2017). The financial system and productive investment: New survey evidence. Quarterly Bulletin 2017: Q1. <https://bit.ly/2vmFDUj>

71 Barton, D. (2011). Capitalism for the Long Term, Harvard Business Review, March/ <https://bit.ly/330IUde> ; Hutton, W. (2015). 'Quarterly capitalism' is short-term, myopic, greedy and dysfunctional. The Guardian. <https://bit.ly/308kWL5>; The Guardian (2015). Hillary Clinton decries Wall Street's 'quarterly capitalism' in tax reform pitch. 24 July. <https://bit.ly/2RTpgta>

72 IPPR, (2018). Prosperity and Justice: A Plan for a the New Economy. Polity Press, p.38

73 Working Mums (2020). Aviva: best for dads. <https://bit.ly/32YB2sr>

74 CBI (2020). Bridge the gap: actions your business can take to close the ethnicity pay gap. <https://bit.ly/3m0jjMk>

wholefoods cooperative, is very active in its community in Brighton, donating money to local wildlife charities and projects, supporting anti-poverty initiatives and homeless charities, and supporting environmental campaigns.⁷⁵

However, the general context in which UK businesses operate remains one that prioritises short-run financial gains. It is not an economy which prioritises care. This system is one which undermines gender equality, wellbeing, and environmental sustainability. It also leaves us unprepared to deal with major risks, as the Covid-19 pandemic has shown.

⁷⁵ Cooperatives UK (2019). Cooperative of the Year Awards 2019: Inspiring Cooperative of the Year. <https://bit.ly/308xli2>

How to get there: eight steps to achieve a caring economy

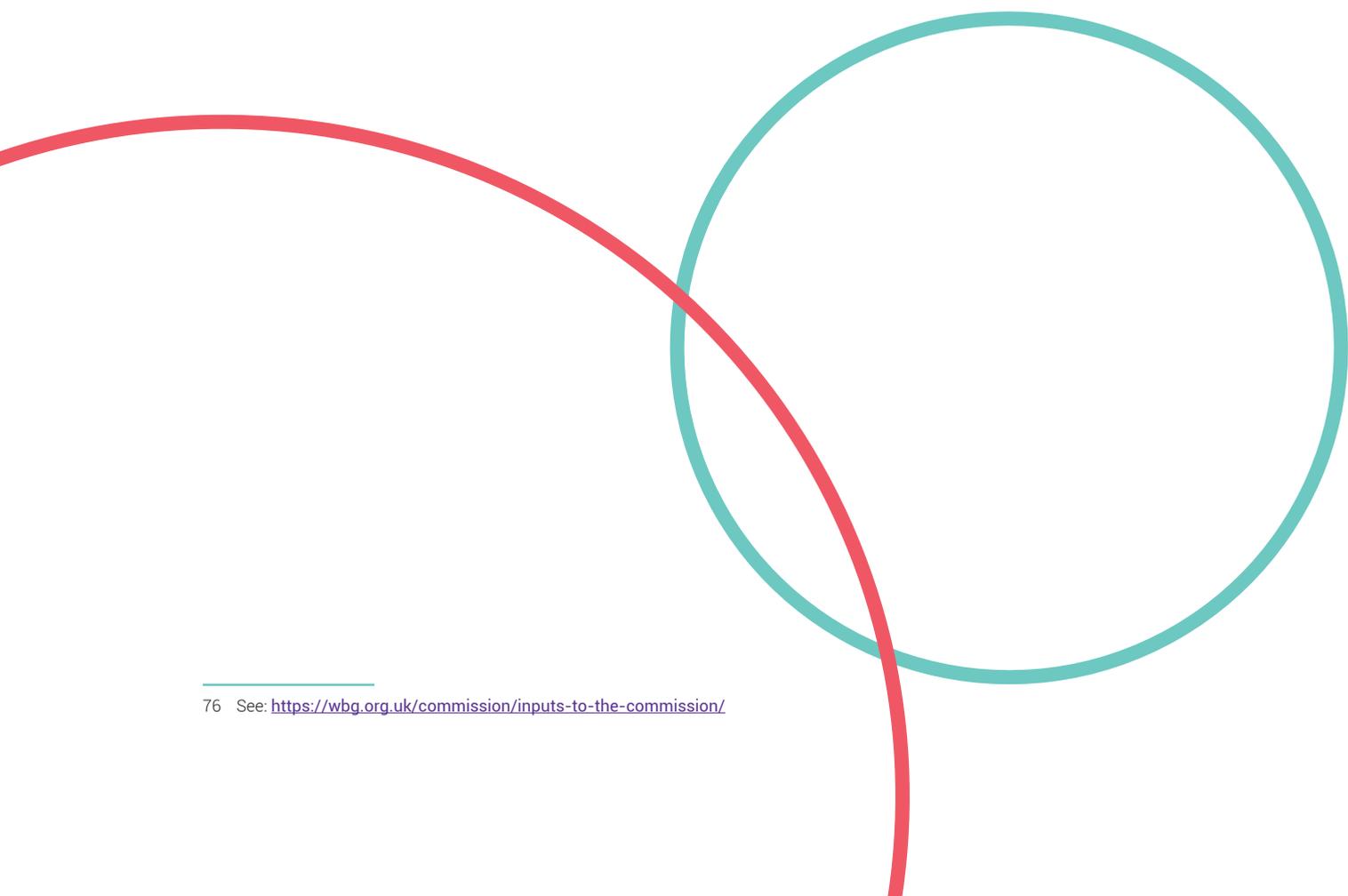
Our vision of a caring economy based on gender equality, sustainability and wellbeing, is transformative. It challenges the systems and structures that have contributed to highly unequal outcomes that do not focus on wellbeing, and are unsustainable. It is about building an economy which prioritises people and planet.

Our vision applies across the economy, ranging from the international economic system, to the workplace, to the tax and social security systems.

This section outlines key changes which need to take place in order to achieve this vision. Many of the areas are interlinked, meaning that concerted and coordinated efforts across the economy are required to bring about a caring economy. For example, tackling in-work poverty requires changes not only to wages, but also to the costs of living, particular housing, and the implementation of a caring social security system.

Further details on the policy recommendations can be found in the Commission on a Gender-Equal Economy briefing papers on different issues, which are indicated throughout this section, and published on the website of the Commission.⁷⁶ Figure 3 gives a snapshot of the eight action areas.

⁷⁶ See: <https://wbg.org.uk/commission/inputs-to-the-commission/>



EIGHT STEPS TO A CARING ECONOMY

1. Re- envision what we mean by 'the economy'



2. Invest in social and physical infrastructure



3. Transform the worlds of paid and unpaid work



4. Invest in a caring social security system based on dignity and autonomy



5. Transform the tax systems across the UK



6. Refocus fiscal & monetary policy on building a caring economy



7. Work to develop a trade system that is socially and environmentally sustainable



8. Work to transform the international economic system



Figure 3: Eight steps to a caring economy

1. Re-envision what we mean by 'the economy'



What needs to happen?

Our conception of 'the economy' and what counts as 'economic policy' must change, to include the centrality of care, to recognise and value unpaid work as well as paid work, the importance of time as well as money, wellbeing as well as output of goods and services, and ecological limits as well as human innovations.

Why is change needed?

The dominant conception of the economy is the market economy. We are judged and valued on whether, and how quickly, we can produce something of monetary value. This market-led approach to economics, which now dominates decision-making in both public and private sectors, does not take into account aspects of the economy which are not currently valued by the market activity – such as unpaid care, and a sustainable ecology. Many outputs that matter are not currently counted or valued.

GDP and economic growth are often not correlated with wellbeing

In almost all countries, the most important economic indicator is Gross Domestic Product (GDP), which measures the market value of output. Most governments aim to maximise the growth of GDP, in the belief that this will increase living standards. However, today, economic growth is not correlated with improvements in wellbeing, but instead is associated with rising inequality and severe environmental degradation. There are increasing calls to move beyond a focus on growth, including from the OECD.⁷⁷ In September 2020, the Reset inquiry found that just one in five UK adults think government should continue to prioritise GDP as its main economic goal.⁷⁸ What should matter is what is being produced, how it is being produced and what the impacts are on equality, wellbeing and sustainability.

Improved efficiency conceals transfers of costs

Economic efficiency is understood in terms of minimisation of short-term financial costs. Any transfer of costs from the market economy, where they show up in accounts, to households, where the costs are invisible, is ignored because this appears to be an increase in efficiency. For example, reorganising medical procedures so that patients are discharged more quickly from hospital appears to be more efficient, because it does not take into account the subsequent unpaid work carried out by family and friends (mainly women) that is required to care for patients at home.

Quality is neglected by traditional understandings of productivity

Productivity has traditionally been defined as 'value added' divided by some measure of labour inputs. The 'value added' of a business is equal to its total revenue (net of all costs), and so is dependent on how much the firm sells, and the value placed on its product in the market. Accordingly, a business with high revenue and low costs from

⁷⁷ OECD (2020). Beyond Growth: Towards a New Economic Approach. New Approaches to Economic Challenges. <https://bit.ly/2RYPN8m>

⁷⁸ All Party Parliamentary Group on a Green New Deal (2020) Time to Reset: the public desire for a fairer, greener Britain after Covid. <https://bit.ly/34bsD4D>

selling a product that is harmful to wellbeing or to the environment, and employs few people, is considered 'highly productive'.

Aggregate demand in the economy influences the level of productivity. In other words, as sales go up or down, so does value added and hence productivity. How much is sold depends on what people have to spend, and this means that sustained cuts to public expenditure – in squeezing the money that flows to households, especially through social security payments and through employment of workers that produce public services – directly undercut productivity.

Moreover, this traditional understanding of productivity means that the wellbeing costs, in terms of stress and ill-health, of pushing workers to 'maximise productivity' by doing more and more in each hour for which they are paid, are ignored. The pursuit of productivity gains can lead to a deterioration of quality of output, especially in the care sector, where high-quality care requires limits to how many people someone can take care of at once. Moreover, a central aspect of high-quality care is a continued relationship between the care provider and recipient, and plenty of time to provide the care. Pursuit of productivity gains can put this in jeopardy.

However, when we redefine what productivity means, focusing instead on wellbeing and counting the costs on the environment, a caring economy will be more productive, not less. Moreover, some of these gains will accrue indirectly to business and government agencies, for instance in terms of reduced expenditures on measures to mitigate or contain damage associated with a market-driven economy, and may directly increase returns as a result of factors such as a reduction in staff turnover and in absence for ill health.

Equality is neglected despite the existence of equality duties

There are laws requiring equalities impact analysis of economic policies (see Boxes 6, 7 and 8) but these are often not conducted adequately, if at all, and policies are frequently not changed to mitigate adverse impacts. For example, the UK government did not change its austerity policy in the period 2010–19 despite evidence of its disproportionately negative impact on women and on Black, Asian and Minority Ethnic women in particular.⁷⁹

Box 6: The public sector equality duty

The public sector equality duty is a duty on public authorities in England, Wales and Scotland to consider how their policies or decisions affect people who are protected under the Equality Act (2010).

If a public authority doesn't properly consider its policy and spending proposals as required by the public sector equality duty, it can be challenged in the courts.

The characteristics that are protected in relation to the public sector equality duty are: age, disability, gender reassignment, marriage and civil partnership, pregnancy and maternity, race, religion or belief, sex and sexual orientation.

As well as the 'general duty', there are Scottish-specific Duties and Welsh-specific Duties.

⁷⁹ WBG (2018). Intersecting inequalities: the impact of austerity on Black and Minority Ethnic women. <https://bit.ly/32Z06ja>

Box 7: The socio-economic duty

The duty, which is in Section 1 of the Equality Act (2010), would require public bodies to adopt transparent and effective measures to address the inequalities that result from differences in occupation, education, place of residence or social class.

The socio-economic duty would ask public authorities to actively consider the way in which their policies and their most strategic decisions can increase or decrease inequalities.

While it is part of the Equality Act, successive UK governments have refused to bring it into force in England.

However, it is in force in Scotland (Fairer Scotland Duty)⁸⁰ and is scheduled to enter into force in Wales on 31 March 2021.⁸¹

Box 8: Section 75 (Northern Ireland)

In Northern Ireland, Section 75 of the Northern Ireland Act 1998 introduced a statutory equality duty on designated public authorities. Intended as a transformative instrument, Section 75 is a legal duty of mainstreaming to ensure that equality of opportunity and good relations are central to public policy.⁸²

Public authorities in Northern Ireland are required to have due regard to the need to promote equality of opportunity:

- ▶ between persons of different religious belief, political opinion, racial group, age, marital status or sexual orientation;
- ▶ between men and women generally;
- ▶ between persons with a disability and persons without; and
- ▶ between persons with dependents and persons without.

Public authorities in Northern Ireland are also required to have regard to the desirability of promoting good relations between persons of different religious belief, political opinion or racial group.

80 Scottish Government (2018). The Fairer Scotland Duty: Interim Guidance for Public Bodies. <https://bit.ly/3644JdN>

81 Welsh Government (2020). Socio-Economic duty: an overview. <https://bit.ly/362R9Hy>

82 ECNI (2012) Section 75 of the Northern Ireland Act 1998: A Guide for Public Authorities - An Outline Guide <https://bit.ly/319QzVe>

How should things change?

Recommendations to all governments and local authorities across the UK:

- ▶ **Recognise the economic value of unpaid work**, which has been estimated as being equivalent to 56% of GDP for the UK (with unpaid childcare being equivalent to 18% of GDP, and long-term care equivalent to 3% of GDP⁸³)
- ▶ **Monitor progress towards the creation of a caring economy** using an aggregate wellbeing indicator, such as the Genuine Progress Index, which incorporates care for human beings and care for the planet in a single framework (see Box 9)
- ▶ **Monitor progress in improving gender equality and wellbeing** using a dashboard of wellbeing indicators disaggregated by gender as well as by other protected characteristics (see Box 10 for two examples)
- ▶ **Examine the time spent on unpaid work** by different groups of people, to reveal inequalities and changes;⁸⁴ and assess all policies for their impact on unpaid work
- ▶ **Assess all policies** for their impact on people's abilities to receive and provide **care**, both paid and unpaid
- ▶ **Ensure that the impact on equality**, including socio-economic equalities, of all economic policies is **properly assessed** and **bold action** is taken to mitigate any negative impacts
- ▶ Go beyond paying lip service to gender mainstreaming and **demonstrate the meaningful integration** of an **equalities** perspective into all systems, structures and policies

Recommendations to businesses:

- ▶ **Reimagine costs, efficiency and productivity** so that social value, environmental value, wellbeing and unpaid time are taken into account, rather than only 'market value'

Box 9: Genuine Progress Indicator

The Genuine Progress Indicator (GPI)⁸⁵ is a metric designed to take fuller account of the wellbeing of a nation. It includes income inequality, the value of non-market household and volunteer labour, and the social and environmental costs associated with market activity. The specific design can be adapted for different circumstances. GPI has been suggested to replace, or supplement, GDP as a measure to monitor the overall trajectory of the economy.

83 ONS (2016). Changes in the value and division of unpaid care work in the UK: 2000 to 2015. <https://bit.ly/3iWAXv0>, Figure 1

84 For an example of this, see ONS (2020). Coronavirus and how people spent their time under lockdown: 28 March to 26 April 2020 <https://bit.ly/3kOwx9U>

85 Berik, G. (2018). Towards More Inclusive Measures of Wellbeing: Debates and Practices. ILO Future of Work Research Paper series. International Labour Organisation.

Box 10: Wellbeing indicators**OECD How's Life?**⁸⁶

How's Life? charts whether life is getting better for people in 37 OECD countries and 4 partner countries. It uses a set of over 80 indicators, covering current wellbeing outcomes, inequalities, and resources for future wellbeing.

Much of the data is disaggregated by gender, age, and education, including the gender gap in total hours worked (paid and unpaid work). It does not include data on VAWG.

UK Office of National Statistics Measures of National Wellbeing⁸⁷

The ONS describes wellbeing as 'how we are doing' as individuals, as communities and as a nation, and how sustainable this is for the future. The full set of headline measures of national wellbeing are organised into ten areas, such as health, where we live, what we do, and our relationships. The measures include both objective data and subjective data. But little of the data is disaggregated by gender, there is no data on care or unpaid work, and no data on VAWG.

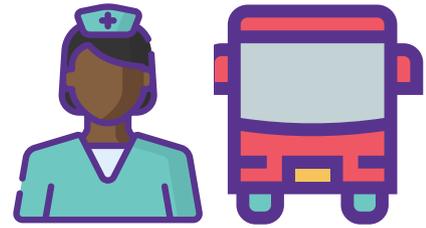
*The analysis in this section drew on the briefing paper on macroeconomic policy, written for the Commission on a Gender-Equal Economy.*⁸⁸

86 OECD (2020). *How's Life? Measuring Well-being*. <https://bit.ly/3cBqUcA>

87 ONS (2019). *Measures of National Well-being Dashboard*. <https://bit.ly/3j2ddFW>

88 Elson, D. (2020). *Macroeconomic policy for a gender-equal economy*. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/331U2GF>

2. Invest in social and physical infrastructure



What needs to happen?

Central to a caring economy is investment in social and physical infrastructure. Infrastructure encompasses both physical structures, such as roads and bridges, as well as social services such as healthcare, social care and education services. Both social and physical infrastructure go beyond benefiting the immediate service users to have a broader positive impact on wider society with benefits felt over time. Social and physical infrastructure must provide public services which support wellbeing on an equitable basis. This infrastructure should be well-funded, accountable to users, designed according to their needs, and managed and provided at an appropriate level for the service. This may be at the community level, local authority level, regional level, devolved nation level or cross-UK level. Investment in infrastructure must also actively seek to reduce emissions. In this section, sustainability is particularly highlighted in discussion of housing and transport.

Both social and physical infrastructure have a broader positive impact on wider society with benefits felt over time

Why is change needed?

Currently, public services across the UK are not only underfunded but have been fragmented, with many services contracted out, privatised, and financialised. Those that remain publicly provided have been subjected to market principles and competitive tendering, forcing them to prioritise reduction of financial costs rather than the wellbeing of the users of their services and their workforce.

The supply, as well as the financing, of public services needs to be transformed. While there is a case for a mixed economy in the supply of some public services, with for-profit businesses and not-for-profit social enterprises playing a part as well as public sector providers, in some sectors for-profit providers are not delivering high-quality services that focus on equality and wellbeing, and there is a strong case for bringing such services back into the public sector. At the same time, there must be scope for innovation and initiatives from local communities, and input from users of services.

Most decision-making on public services has been devolved, and as a result, there has been substantial divergence across the four nations of the UK regarding the funding and provision of public services. Local authorities also play a key role in the provision of public services, but have suffered calamitous cuts to their funding.⁸⁹ This section covers seven main key areas of public services and recommendations to different levels of government.

⁸⁹ CLES (2019). Why the local economy is important for gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2Gap6uF>

How should things change?

Recommendations to the UK government, devolved governments and local authorities where appropriate:

- ▶ Prioritise quality of services, equality, wellbeing and sustainability, not lowest financial cost, where public services continue to be procured from the private sector⁹⁰
- ▶ Ensure sustainable and adequate funding, at all levels of government, of public services
- ▶ Ensure that citizens are empowered to actively hold local government to account (for an example, see Box 11)

Box 11: Bristol Women's Commission

The Bristol Women's Commission is made up of women from key agencies across the city and six task groups made up of women with specific expertise or interest. The commission is chaired by Penny Gane, Chair of Bristol Women's Voice.

The purpose of the Women's Commission is to work as a partnership to identify the key issues for women in Bristol and to produce an agreed Women's Strategy for Bristol, with a specific, time limited, and practical action plan for its delivery.

The Bristol Women's Strategy will be the mechanism by which the city demonstrates its progress on meeting the obligations of the European Municipalities and Regions Charter for Equality of Women and Men in Local Life.

Bristol also has a Commission for Race Equality (CORE) and a Race Equality Strategic Leaders' Group.

*The analysis in this section drew on the briefing papers on public services, local government and public procurement, written for the Commission on a Gender-Equal Economy.*⁹¹

Social care

What needs to happen?

Central to a caring economy is building a social care system whose primary objective is enabling everyone, of all ages, to be able to choose to do, as far as possible, what others can do unaided.⁹² This entails providing both domiciliary and residential care for

90 Sarter, K. (2019). Policy paper on public procurement and gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3kMyuDQ>

91 Land, H. (2019). Public services in a gender-equal economy. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3302y96>; CLES (2019). Why the local economy is important for gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2Gap6uE>; Sarter, K. (2019). Policy paper on public procurement and gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3kMyuDQ>

92 Transforming care, Himmelweit, S., in Macfarlane, L. (ed.) (2018). New Thinking for the British-Economy, Open Democracy <https://bit.ly/3i3dYx7>

both older and younger people with physical disabilities, learning disabilities, or mental health problems. It also encompasses crisis care and respite care, as well as provision of services within the community, such as day care centres and community wellbeing activities. Many of these services are crucial for unpaid carers, who are often faced with a 'triple jeopardy' of reduced social care services, reduced support for unpaid carers, and cuts to community and wellbeing services.⁹³

The necessary resources must be invested in order to provide the care infrastructure to fulfil this mission both now and in the future. Good wages and working conditions, professional standards and a public service ethos must be created, so that care workers are proud to work in the sector. A substantial increase in funding is urgently needed but ultimately, the sector needs to be reconfigured to fully meet all social needs, with a well-trained and well-resourced workforce.⁹⁴

Why is change needed?

Social care is fully devolved across the four nations, so we see a range of approaches and models across the UK.⁹⁵ Box 12 details the differences in the varying entitlements to state-funded care across the UK.

Box 12: entitlements to social care across the four nations

There has been an ongoing debate within successive governments in Westminster about the financing of care – not just in terms of national funding versus local authority funding, but also the question of an individual's access to social care services as well as their contribution to care costs.

The current state of play differs across the UK:

- ▶ in Scotland, personal care (help washing and dressing or preparing meals but not housework, laundry or shopping) is available free of charge to over-65s and all adults with disabilities or degenerative conditions, regardless of income and personal assets.
- ▶ In England and Northern Ireland, only those with assets of less than £23,250 receive support from the state to meet their costs at the moment (except the over-75s with acute needs in Northern Ireland, who are entitled to free personal care).
- ▶ In Wales, this asset limit is £24,000, but the cost of home care that an individual pays is capped (currently, at £90 per week).

Covid-19 has been devastating for the care sector across the UK, which was already under huge strain after years of under-funding. The supply of state-funded care has been decreasing in recent years, while the demand for care has increased.⁹⁶ The

93 Political Studies Association Commission on Care (2016). Towards a new deal for care and carers: report of the PSA Commission on Care, 2016. <https://bit.ly/2EznxGs>

94 Bayliss, K. and J. Gideon (2020). The privatisation and financialisation of social care. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3663sCQ>

95 For a useful overview of the different systems in the four nations, see: Nuffield Trust (2020). Adult social care in the four countries of the UK. <https://bit.ly/2G10zsl>

96 See Sharples, M. (2019). Social care and gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2FOslsf>; Bayliss, K. and J. Gideon (2020). The privatisation and financialisation of social care. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3663sCQ>

number of older people in England with unmet care needs has risen to 1.4 million.⁹⁷ In Scotland, demand for health and social care services is expected to increase by 18–29% by 2030.⁹⁸ Care homes in Scotland were hit hardest by Covid-19 in the first half of 2020, with a higher number affected and a higher percentage of deaths than any other part of the UK.⁹⁹

Meanwhile, care workers have been at the frontline of the pandemic, often without adequate protective equipment and with significantly higher mortality rates than the rest of the population.¹⁰⁰ Care workers, most of whom are women, and many of whom are migrants or from Black, Asian and Minority Ethnic groups, are paid very low wages; many are on zero-hours contracts and receive very little training. Care workers in Scotland and Northern Ireland received a pay increase earlier this year, although in Northern Ireland this only achieved pay parity with England, which is still concerning as half of care workers in England are paid below the Real Living Wage.¹⁰¹ In a welcome move, in April 2020 the Scottish government increased pay for social care workers to the Real Living Wage.¹⁰²

Recruitment and retention of care workers is a substantial problem, with 48% of care workers in England leaving within a year of starting.¹⁰³ There are particular difficulties in recruiting care nurses for the residential care sector in Northern Ireland and certain rural areas of Scotland,¹⁰⁴ and there are higher levels of nursing vacancies in private care homes than not-for-profit ones.¹⁰⁵ Zero-hours contracts are extremely common in the care sector, and particularly among private providers: in England, care workers employed by independent providers are over three times more likely to be on a zero-hours contract than those employed by local authorities (35% compared to 10%).¹⁰⁶ In Wales, some progress has been made towards eliminating zero-hours contracts for domiciliary care workers, as employers are now obliged to offer care workers the option of guaranteed hours after three months of employment.¹⁰⁷

The ways in which social care is delivered has shifted significantly over time. Between 1979 and 2012, the proportion of residential care and nursing home beds provided by local authorities or the NHS fell from 64% to just 6%.¹⁰⁸ Until the mid-1990s, most private care home operators were small family firms owning one or two homes, often drawing on the owners' medical experience. But since then, there has been a growth of large financialised chains, internationally owned, ostensibly making little profit, but extracting returns through payment to the parent company of rent, fees, and dividends;

97 Age UK (2018). New analysis shows number of older people with unmet care needs soars to record high. 9 July. <https://bit.ly/365q06U>

98 Audit Scotland (2020). Transforming health and social care in Scotland. <https://bit.ly/3j0aCw4>

99 The Times (2020). Scotland had highest number of care home Covid cases in UK, says study. 30 August. <https://bit.ly/3i1zjHg>

100 The Guardian (2020). Social care workers at increased risk of death from coronavirus, ONS finds. 26 June. <https://bit.ly/33Uj17u>

101 Belfast Telegraph (2020). NI health care workers have pay parity with England. 28 April. <https://bit.ly/2FPbPbu>

102 BBC News (2020). Coronavirus: social care workers given wage increase. 12 April. <https://bbc.in/3kKo9bv>

103 Communities and Local Government Select Committee (2017). Adult Social Care. <http://bit.ly/2jsjaCa>

104 Competition and Markets Authority (2017). Care Homes Market Study, Final Report. <https://bit.ly/30645Zc> 4.62.

105 Common Weal (2020). The predictable crisis: why COVID-19 has hit Scotland's care homes so hard. <https://bit.ly/2G8CX4G> p.18.

106 Dromey, J. and D. Hochlaf, (2018). Fair care: A workforce strategy for social care. IPPR. <https://bit.ly/305nytf> p. 10

107 BBC News (2018). Curb on zero-hour care worker contracts and 'call clipping'. 2 April. <https://bbc.in/2EzqJlq>

108 Kotecha, V. (2019). Plugging the leaks in the UK care home industry: Strategies for resolving the financial crisis in the residential and nursing home sector. Report for Centre for Health and the Public Interest. <https://bit.ly/3mSKF3B>

and realising capital gains by buying and selling care homes.¹⁰⁹ Rather than making the market work to the benefit of care recipients, insufficient resources and political will have been put into regulating care providers, favouring large providers, many of whom are now parts of large “too big to fail” financialised chains.

Social care is a particularly poor candidate for privatisation and quality improvement through competition. It is a highly labour-intensive sector and must remain so to maintain standards. Indeed, the ratio of staff to care recipients is generally seen as a measure of quality in care provision and while technology can often improve the quality of care, it cannot generally substitute for workers without cutting care quality. This means that the only way for providers to compete on costs is to reduce quality, by cutting staff numbers or by paying low wages. The Covid-19 pandemic has led many, of all political persuasions, to question the privatised and financialised model of social care.¹¹⁰ It is clearly not fit for purpose, and Covid-19 has highlighted the urgency for fundamental reform.

Social care systems are not fit for purpose, and Covid-19 has highlighted the urgency for fundamental reform

How should things change?

Recommendations to the UK government, devolved governments and local authorities where appropriate:

- ▶ **Establish a free-at-the-point-of-use, high-quality Universal Care Service**, on an equal footing to, and closely connected with, the NHS, financed by the public purse, providing both residential and domiciliary care.¹¹¹ This would have publicly guaranteed high standards, and seek to make use of the best of local non-profit organisations' innovation and expertise
- ▶ Ensure that any **Covid-19 relief funding** for care providers is subject to conditions such as **social and financial responsibility**, and not being headquartered in **tax havens**¹¹²
- ▶ Work to **bring back large financialised care providers into public ownership**
- ▶ Ensure that **local authorities are properly funded** to deliver the range of care services required, in line with their legislative and human rights obligations

109 Bayliss, K. and J. Gideon (2020). The privatisation and financialisation of social care. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3663sCQ>

110 The Guardian (2020). Calls for national care service as crisis leaves homes in critical state. 28 June. <https://bit.ly/3i4CyO2>; Altmann, R. (2020). The lesson of the Covid-19 care homes tragedy: renationalising is no longer taboo. The Guardian. <https://bit.ly/3mSiIcH>

111 For more detail, see Sharples, M. (2019). Social care and gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2FOslf>

112 A number of EU countries including Scotland, Wales and other EU member states such as France and Denmark have blocked companies based in tax havens from accessing coronavirus bailout funds. Similar restrictions should be placed on care providers. See: The Guardian (2020). Scotland bans Covid-19 support to firms based in tax havens. 21 May. <https://bit.ly/2FONdj3>

- ▶ **Incorporate the voices of care recipients** into the provision of care and policymaking on care services
- ▶ **Invest in, and professionalise, the care workforce**, improving its status, the working conditions and pay in paid care, and implementing training programmes and developing career paths

*The analysis in this section drew on the briefing papers on social care and the privatisation and financialisation of social care, written for the Commission on a Gender-Equal Economy.*¹¹³

Childcare

What needs to happen?

Establishment of a professional, high-quality childcare system is an essential part of a caring economy. Such a system helps to develop children's social, emotional and cognitive skills, and allows parents to take up or remain in paid employment, or undertake training or other activities, such as care for other relatives, or volunteering in the community, knowing their child is safe and well looked after. It also reduces social inequalities by helping disadvantaged children access high-quality support, as well as providing social networks and parenting support for their parents.

The Covid-19 pandemic has highlighted these benefits of childcare. Almost half of parents in Britain felt that their child's social and emotional development and wellbeing had been negatively impacted by the lockdown in spring 2020, with those whose children were unable to attend their nursery or pre-school most likely to report this.¹¹⁴ 81% of working mothers in the UK said they needed childcare to be able to work, but 51% did not have the necessary childcare in place to enable them to do their job.¹¹⁵ A third of nurseries in the most disadvantaged areas of England may be forced to close permanently due to the financial difficulties and instability experienced since the pandemic hit.¹¹⁶

Why is change needed?

Even before the Covid-19 pandemic, childcare reform was urgently needed.

Currently, there is a limited amount of free childcare for children aged two–four available across the four nations: the amount varies between 12.5 and 30 hours per week, depending on age of the child and socio-economic status and employment status of the parents. There is no free provision for children under two, or for school-age children, although further support is available to some parents in the form of Tax-

113 Sharples, M. (2019). Social care and gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2F0slsf>; Bayliss, K. and J. Gideon (2020). The privatisation and financialisation of social care. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3663sCQ>

114 The Sutton Trust (2020). A third of nurseries in the most disadvantaged areas may be forced to close due to financial difficulties. 1 July. <https://bit.ly/2G48cy6>

115 Pregnant then Screwed (2020). Childcare, Covid and career: the true scale of the crisis facing working mums. <https://bit.ly/3hVGUJag>

116 The Sutton Trust (2020). A third of nurseries in the most disadvantaged areas may be forced to close due to financial difficulties. 1 July. <https://bit.ly/2G48cy6>

Free Childcare,¹¹⁷ and the childcare element in Universal Credit.¹¹⁸

The childcare systems (both pre-school childcare and wrap-around childcare for children of school age) across the four nations of the UK suffer from three main problems: lack of affordability, poor accessibility, and variable quality. As a share of household income, UK parents pay the highest childcare costs in Europe and the second highest in the world.¹¹⁹ Childcare is the biggest monthly bill faced by 35% of families in Northern Ireland, costing more than mortgages or rent, according to an Employers For Childcare poll.¹²⁰ Northern Ireland is the only UK jurisdiction which lacks a childcare strategy. However, across the UK, existing funding channels are complex, inadequate and inconsistent.¹²¹

UK parents pay the highest childcare costs in Europe

In 2020, only about 56% of local authorities in Britain had enough childcare places for parents working full-time and fewer than one in four had enough spots for wrap-around school childcare for those aged 5–11 or children with disabilities. Supply has improved but remains inadequate, especially in rural areas (Box 13).¹²²

Box 13: Voices from the frontline

'Rural childcare is almost non-existent...where there is provision it is often focused on older kids – after school clubs and so on, but nothing for the younger ones.'

Participant, Northern Ireland dialogue session between local women's and equalities organisations and the Commission on a Gender-Equal Economy, Belfast, November 2019

Staff pay and qualifications are low compared to other developed childcare systems (see Box 14 for some common characteristics).¹²³ The National Audit Office recently reported that poorer-quality provision, as well as lower take-up, of childcare was the case in deprived areas of England, which 'creates a risk that the gap between the development of disadvantaged children and their peers will grow.'¹²⁴ High qualification levels of staff is strongly associated with high-quality provision, and therefore positive experiences for children.

117 Gov.uk (2020). Tax-Free Childcare. <https://bit.ly/3i4Di5M>

118 Gov.uk (2020). New to Universal Credit: Children and childcare. <https://bit.ly/3mMpznQ>

119 World Economic Forum (2019). These countries have the most expensive childcare. 23 April. <https://bit.ly/3mOCzch>

120 BBC News (2019). Childcare costs: Call for rollout of free preschool care in NI. 17 January. <https://bbc.in/3kYre8j>

121 De Henau, J. (2019). Early childhood education and care (ECEC) policies. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3j2voeG>

122 Coram Family and Childcare (2020). Childcare Survey 2020. <https://bit.ly/2MASdrg>

123 See 'Workforce profiles' on ECEC in European countries: <http://www.seeepro.eu/English/Home.htm>

124 National Audit Office (2020). Supporting disadvantaged families through free early education and childcare entitlements in England. <https://bit.ly/2RWPKtQ>

Box 14: learning from other countries¹²⁵

The childcare systems in Denmark, Estonia, Finland, Germany, Iceland, Norway, Slovenia and Sweden share similar characteristics:

- ▶ highly affordable provision with highly subsidised costs (often capped fees) and reduced fees for children in low-income families and/or subsequent children;
- ▶ high qualification levels of a significant proportion of staff;
- ▶ an integrated approach to childcare and education with a unitary system that doesn't vary with the age of the child (e.g. same ministry in charge);
- ▶ centralised funding and supervision but implementation and organisation tailored to local needs;
- ▶ importance of content of developmental activities with civic teaching, fighting gender stereotypes, etc. (explicitly so in Sweden).

How should things change?

Recommendations to the UK government and devolved governments:

- ▶ **Introduce free, universal childcare provision year-round and on a full-time basis**, from the age of six months onwards, including for older children, through comprehensive extended school activities before and after school, and throughout school holidays
- ▶ **Increase staff qualification levels and increase staff pay** in line with primary education levels to improve retention, job satisfaction and therefore quality of care to children for whom stability of the carer-child relationship is paramount
- ▶ **Allow for a diversity of childcare providers** (voluntary, state or commercial), all subject to the same standards and in receipt of public funding, although aiming to expand provision that is part of the state education system
- ▶ In the construction of new facilities, prioritise **co-location** of childcare services to prevent unnecessary travel between sites

Importantly, this proposed system does not necessarily imply raising additional taxes, but could be funded, like investment in physical infrastructure, by government borrowing.¹²⁶ While it would require significant public annual investment of around 3% of GDP, sufficient fiscal revenue will result from the investment to pay back the debt incurred. In the short term, this would be through increased employment in the childcare sector, as well as increased indirect employment in firms supplying inputs to the childcare sector, and induced employment in a wide range of other sectors, as newly employed workers spend their wages. In the longer term, additional revenue would be generated due to the impacts of childcare on children's and their parents'

¹²⁵ For more detail, see De Henau, J. (2019). Early childhood education and care (ECEC) policies. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3j2v0eG>

¹²⁶ De Henau, J. (2019). Employment and fiscal effects of investing in universal childcare: a macro-micro simulation analysis for the UK. IKD Working Paper No. 83, March. <https://bit.ly/2C8E8vQ>

additional earnings (and thus extra tax revenue), including other financial benefits from reduced social spending as a result of a better-cared-for population. Even if only considering improvements in mothers' lifetime earnings,¹²⁷ it would only take between 8–13 years to recoup the investment in childcare, well within the remaining working life span of first-time mothers.¹²⁸

*The analysis in this section drew on the briefing paper on early childhood education and care policies, written for the Commission on a Gender-Equal Economy.*¹²⁹

Healthcare

What needs to happen?

A healthcare system within a caring economy must advance more equal outcomes for workers, patients and carers, and must receive and allocate funding to achieve this goal.

Healthcare is a devolved competency and the health systems vary significantly across the four nations, but there are some common themes which span the UK.

Why is changed needed?

The NHS is one of the most inclusive health services in the world and it commands high levels of public loyalty and support. However, funding has not kept pace with needs, and services have been increasingly contracted out to private companies, whose supply chains have been deemed 'dysfunctional', and have impacted on the health and wellbeing of NHS staff.¹³⁰ An example is provision of personal protective equipment, whose shortcomings were starkly revealed by Covid-19 and are implicated in the deaths of NHS staff from Covid-19.¹³¹

Investment in the NHS varies significantly across the UK. NHS funding in England has been squeezed since 2010, with a similar pattern in Wales and Northern Ireland although with an uptick in investment since 2017 in both Wales and Northern Ireland.¹³² Successive Scottish governments have increased and protected NHS spending, albeit within a reduced budget. In 2018–19 health services expenditure per head was highest in Northern Ireland and lowest in England.¹³³ Particularly in England, a pattern of increasing structural fragmentation and privatisation in healthcare, together with the loss of public and community health services and commitments, has resulted in a crisis of worsening access and quality of care at all levels, and exacerbated

127 Assuming fathers' income doesn't change as shown in Kleven, H. et al. (2019). Child Penalties Across Countries: Evidence and Explanations, NBER. <https://www.nber.org/papers/w25524>.

128 De Henau, J. (2019). Employment and fiscal effects of investing in universal childcare: a macro-micro simulation analysis for the UK. IKD Working Paper No. 83, March. <https://bit.ly/2C8E8vQ>

129 De Henau, J. (2019). Early childhood education and care (ECEC) policies. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3j2voeG>

130 Smith, P. and M. Mackintosh (2007). Profession, market and class: nurse migration and the remaking of division and disadvantage. *Journal of Clinical Nursing* 16 (12): 2213–2220; Smith P., B. Towers, and M. Mackintosh (1993). Implications of the new NHS contracting system in one health authority. *Journal of Interprofessional Care* 7(2) 115–124; Towers, B., P. Smith, and M. Mackintosh (1999). Dimensions of class in the integration of health and social care. *Journal of Interprofessional Care* 13(3) 219–228; We Own It and University of Greenwich (2020). Privatised and Unprepared: the NHS Supply Chain. <https://bit.ly/3mPZHaD>

131 We Own It and University of Greenwich (2020). Privatised and Unprepared: the NHS Supply Chain. <https://bit.ly/3mPZHaD>

132 Cardiff University and Wales Fiscal Analysis (2019). UK Spending Review 2019: the implications for Wales. <https://bit.ly/3mMqS6e>; House of Commons Library (2019). NHS Funding and Expenditure. <https://bit.ly/340fQ4y>

133 House of Commons Library (2019). NHS Funding and Expenditure. <https://bit.ly/340fQ4y>

inequalities.¹³⁴ There is now a government consensus that this situation is unworkable: the NHS *Long Term Plan*, which applies to England, contains a new guarantee that over the next five years investment in primary medical and community services will grow faster than the overall NHS budget. At the same time, there is a variety of initiatives to consolidate and integrate services and funding – for an example, see Box 15.

Box 15: Community Hubs

One promising innovation is the creation of Community Hubs, which focus on the areas with greatest need and act as ‘one stop shops’ for pregnant women and their families, and parents of young children: they work closely with local authorities, bringing together antenatal care, birth facilities, postnatal care, mental health services, specialist services and health visiting services. These Hubs exist in various forms and with different focus points across the four nations.

The health workforce is predominantly made up of women, hierarchically structured by gender and ethnicity, and deeply dependent on migrant staff. Nurses are the majority of the health workforce in the UK, as worldwide. Around 90% of nurses in the UK are women,¹³⁵ and one in five nurses in England is from a BAME background.¹³⁶ BAME nurses are under-represented in senior pay bands.¹³⁷ Working in a wide range of employment contracts, nurses are united as a profession through common standards, a code of ethics, professional rights and responsibilities. Still, they are subject to a sustained negative experience of pay and status recognition that has failed to value and recognise the level of skills, responsibility and autonomy that nurses hold.

How should things change?

Recommendations to the UK government and the devolved governments:

The following recommendations focus on integration of services and the shifting ‘downwards’ of resources to primary and community care. The more the resources move towards those in greatest need, and the more integrated and accessible community services become the norm, the more there is a move towards greater equality in healthcare.

- ▶ **Increase investment in healthcare**, and prioritise funding towards **community and primary care**, along with more transparent and effective long-term funding
- ▶ **Resist further privatisation** of delivery of health services
- ▶ **Revalue and strengthen nursing roles**, including substantially increasing nurse salaries, and strengthen roles and representation for nursing at all levels of the design, monitoring and delivery of services. The salaries of healthcare

¹³⁴ Mackintosh, M., P. Smith and B. Towers (2020). What would a gender-equal health service look like? How might we move towards it? Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3kPEMCX>

¹³⁵ Royal College of Nursing (2020). Gender and Nursing as a Profession: valuing nurses and paying them their worth. <https://bit.ly/3kMUpLq>

¹³⁶ NHS England (2019). Workforce race equality standard: an overview of workforce data for nurses, midwives and health visitors in the NHS. <https://bit.ly/2RW5Fsf>

¹³⁷ Ibid.

assistants and other support staff should also be increased

- ▶ Ensure that the **specific needs** of women; the specific needs of more disadvantaged women; and the needs expressed by those whose sexuality and self-identification does not fit binary norms are central to healthcare planning, and increase transparency of data collection on inequalities in healthcare. This includes ensuring **equal access to sexual and reproductive health services** across all four nations, in accordance with CEDAW¹³⁸

*The analysis in this section drew on the briefing paper on healthcare, written for the Commission on a Gender-Equal Economy.*¹³⁹

Violence against women and girls services

What needs to happen?

A caring economy is one in which everyone can live free from the experience, or threat of, violence. VAWG must be reduced, prevented and ultimately eradicated.

Why is change needed?

In the UK and globally, VAWG remains widespread and under-reported, with devastating impacts on victims, survivors and their families. VAWG, in all its forms, is both a cause and a consequence of gender inequality. This section focuses primarily on domestic abuse.

Data for England and Wales shows that more than one in four women will experience domestic abuse during their lifetime.¹⁴⁰ The Femicide Census, which covers the whole of the UK, shows that 78% of women killed by men in 2018 were killed at home, and 61% were killed by a current or former partner.¹⁴¹ While everyone can experience partner violence, women are more likely to be seriously hurt or killed and to experience higher rates of repeat victimisation than men.¹⁴² Women are also more likely than men to experience higher levels of fear and are more likely to be subjected to controlling and coercive behaviours.¹⁴³ In Scotland in 2017–2018, women made up 82% of the victims of recorded domestic abuse incidents.¹⁴⁴

In England and Wales, data shows that incidences of VAWG are higher among poorer households¹⁴⁵ and for disabled women, with the latter twice as likely to experience domestic abuse than non-disabled women.¹⁴⁶ A survey of 5,000 LGBT people found

138 Committee on the Elimination of Discrimination against Women (2018). Report of the inquiry concerning the United Kingdom of Great Britain and Northern Ireland under article 8 of the Optional Protocol to the Convention on the Elimination of All Forms of Discrimination against Women. <https://bit.ly/306Axec>

139 Mackintosh, M., P. Smith and B. Towers (2020). What would a gender-equal health service look like? How might we move towards it? Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3kPEMCX>

140 ONS (2018). Domestic abuse: findings from the Crime Survey for England and Wales: year ending March 2018. <https://bit.ly/34cTZp8>

141 Ingala Smith, K. (2020). The Femicide Census Report 2018 <https://bit.ly/3kPFekD>

142 Myhill, A. (2017). Measuring domestic violence: context is everything. *Journal of Gender-based Violence*, 1(1):33–44.

143 Ibid.

144 Zero Tolerance (2019). Statistics: Violence in Scotland. <https://bit.ly/3i4GAWG>

145 ONS (2018). Domestic abuse: findings from the Crime Survey for England and Wales: year ending March 2018. <https://bit.ly/34cTZp8>

146 Women's Aid (n.d.). Survivors Handbook: support for disabled women. <https://bit.ly/32SSfCc>

that 19% of trans and non-binary people, including 21% of trans men and 16% of trans women experienced domestic abuse in the past year.¹⁴⁷ BAME women face additional challenges, particularly around reporting, due to heightened forms of shame, stigma, cultural and religious constraints, racism from authorities, immigration insecurities or lack of awareness of their rights.¹⁴⁸ Survivors with 'No Recourse to Public Funds' (NRPF) – such as undocumented migrants and asylum seekers – can struggle to access refuge spaces and support services.¹⁴⁹ This can leave them trapped in abusive relationships or forced to return to their countries of origin.

VAWG in Northern Ireland has to be understood within the broader context of a post-conflict society: following the conflict, reporting rates of domestic abuse 'skyrocketed',¹⁵⁰ and rates have continued to increase in recent years¹⁵¹ to be the highest on record in 2019.¹⁵²

Across all four nations, support services for survivors of violence are underfunded while demand is increasing.¹⁵³ VAWG support services run 'by and for' women, including specialist services for BAME women, have historically struggled to find adequate funding and were placed under further pressure by austerity.¹⁵⁴

The significant under-reporting of VAWG to police and the low conviction rates, particularly for sexual offences, point to the fact that the criminal justice system – from the police through to the courts – is failing victims/survivors.¹⁵⁵ Rape convictions in England and Wales are currently at a record low,¹⁵⁶ and while the trend is more positive in Northern Ireland¹⁵⁷ and Scotland,¹⁵⁸ rates remain low.

While the pursuit of perpetrators on its own does not eradicate VAWG and can be only one part of a holistic strategy to tackle VAWG, it is nonetheless vital to ensuring

147 Stonewall (2018). LGBT in Britain: Home and communities. <https://bit.ly/2TJOFqX>
 NB: While this percentage is higher than the Crime Survey for England and Wales percentage of women experiencing domestic abuse in the past year, the figures are not directly comparable as dedicated domestic abuse surveys tend to show higher rates of violence among women than generic crime surveys, such as the CSEW. See: Walby, S. (2005). Improving the statistics on violence against women. Statistics Journal of the United Nations ECE 22: 193-216. <https://bit.ly/33gJlJw>

148 EVAW (2011). Another World is Possible: A call for long-term and targeted action to prevent violence against women and girls. <https://bit.ly/2OT0jxq>; Women's Aid (2020). The Domestic Abuse Report 2020: The Annual Audit. <https://bit.ly/39kdPBV>

149 Women's Aid (2017). Nowhere to Turn: Findings from the first year of the No Woman Turned Away Project <https://bit.ly/3crVvIX>

150 McWilliams, M. (2015). Transforming the responses to domestic violence in a politically contested environment. [PowerPoint presentation] Transforming the responses to domestic violence in a politically contested environment. European Conference on Domestic Violence. 6 September. Quoted in: Green, R. (2018). The impact of conflict on violence against women in Belfast. Queen's University Belfast, Working Paper series. <https://bit.ly/3mT5a0e>

151 Equality Commission for Northern Ireland (2018). Women in Northern Ireland. UN Convention on the Elimination of All Forms of Discrimination against Women Submission to inform 'List of Issues' Consideration (Examination of United Kingdom, 2019) <https://bit.ly/301CFUz>

152 BBC News (2019). Domestic violence: NI crime rates highest on record. <https://bbc.in/33ZJCq7>

153 Crouch-Puzey, E. (2018). State of the Sector: Building sustainable specialist services in Wales (Welsh Women's Aid) <https://bit.ly/2Tk3tfr>; Scottish Women's Aid (2017). Funding Survey 2017/18: Measuring the impact of funding cuts on domestic abuse services for women and children in Scotland in 2017/18 <https://bit.ly/2TiBmxp>; Women's Aid Federation Northern Ireland (2019). Annual Report 2018-19 <https://bit.ly/2ThWeos>

154 WBG (2018). Violence against Women and Girls: Briefing from the Women's Budget Group. <https://bit.ly/2PInYk5>; see also The Bureau of Investigative Journalism (2017). Thousands of vulnerable women turned away as refuge funding is cut. 16 October. <https://bit.ly/2yPBRpV>

155 Hawkins, S. and Laxton, C. (2015). Women's Access to Justice: From reporting to sentencing. Women's Aid. <https://bit.ly/2yooJrH>; EVAW (2019). Rape Justice Fail campaign. <https://bit.ly/3cuz2ea>

156 BBC News (2020). Rape convictions fall to record low in England and Wales. <https://bbc.in/2HyxHZb>

157 Public Prosecution Service (2019). PPS publishes sexual offences statistics. 24 October. <https://bit.ly/3mRMLRt>

158 BBC News (2020). Rise in sex crime convictions in Scotland. 31 March. <https://bbc.in/2Sa4Jkp>

that perpetrators are held accountable for their actions, women are kept safe, and to establishing broader social norms that deem VAWG unacceptable.¹⁵⁹

How should things change?

VAWG is not inevitable, and there is concrete action that can be taken to prevent it and to end it. To reduce VAWG – and ultimately to eradicate it – will require a comprehensive set of actions by a range of institutions. This includes socio-cultural change to address harmful social norms; public education campaigns to make VAWG unacceptable; policy changes to reduce women's economic disadvantage; and the implementation of a functioning social security system and quality public services – all of which are central themes to this report. Here, we focus on providing support to survivors and pursuing perpetrators.

Recommendations to the UK government, devolved governments and local authorities where appropriate:

- ▶ **Improve the police response to VAWG**, including through rigorous training and mandatory referral of survivors to specialist services
- ▶ **Improve VAWG survivors' experiences of the criminal justice system**, including through training of frontline staff, improving the speed of referrals and decision-making, and ensuring safety and support for those giving evidence
- ▶ **Develop a comprehensive rehabilitation-focused offender strategy**, to ensure that bringing perpetrators to justice provides an opportunity for rehabilitation
- ▶ **Increase funding to VAWG support providers**, including specialist support for BAME women, disabled women, and trans and non-binary people experiencing violence
- ▶ **Improve data collection**, particularly on LGBTQ+ individuals experiencing violence/abuse, older people, and on repeat victimisation
- ▶ Fund a **public education campaign** to make **VAWG unacceptable** across society

*The analysis in this section drew on the briefing paper on VAWG, written for the Commission on a Gender-Equal Economy.*¹⁶⁰

Housing

What needs to happen?

The guarantee of a safe, warm, accessible, good-quality and energy efficient place to call home is a crucial element of a caring economy. It simultaneously contributes to gender equality, wellbeing and sustainability.

¹⁵⁹ EVAW (2019). Submission to WBG Commission on a Gender Equal Economy. <https://bit.ly/2uTdgjA>

¹⁶⁰ Neitzert, E. (2020). Violence against women and girls and women's economic inequality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2FOzJ6X>

Why is change needed?

Housing is a core aspect of people's lives and it determines many other aspects: who they interact with, their social networks, their community involvement and their job and education opportunities. It also has an impact on people's health: poor housing conditions contribute to many preventable diseases such as respiratory and nervous damage, but instability and insecurity of tenure and the financial toll of high housing costs can also have a significant negative impact on people's mental and consequently physical health.¹⁶¹

Despite the expansion in economic growth since 2010,¹⁶² real wages in the UK have stagnated,¹⁶³ while the price of housing (both to rent¹⁶⁴ and buy¹⁶⁵) has increased substantially, resulting in a housing crisis and increased homelessness. As women earn less and are able to save less than men, they are less likely to be able to afford housing. Indeed, in England, women need over 12 times their annual salaries to be able to buy a home in England, while men need just over eight times.¹⁶⁶

The financialisation of the housing market, where housing is increasingly treated as a commodity instead of a social good, combined with the dwindling number of social housing units, has been key to worsening housing affordability. Housing is considered 'affordable' when it takes up less than a third of household income, but for tenants in Britain, the proportion of their income spent on rent rose from around 10% in 1980 to 36% today.¹⁶⁷ This has been less pronounced in Scotland, which supplies the most affordable homes per capita, and has the highest proportion of homes in the social sector compared to the other three nations.¹⁶⁸ In England, however, there is no region where the median private rent is affordable on women's median earnings, whereas it is for men in all English regions except London.¹⁶⁹

There is no English region where the median private rent is affordable on women's median earnings

The proportion of people owning their home has declined and the proportion renting from private landlords has increased in recent years. Four out of ten 30-year-olds live in private rented accommodation today, in contrast to one in ten 50 years ago.¹⁷⁰ Private renting is not just the least secure form of housing, but also the tenure with the worst record for housing quality.¹⁷¹ A quarter of privately rented homes in England are considered non-decent (i.e. the home is not in a reasonable state of repair, doesn't have

161 Health Affairs (2018). Housing And Health: An Overview Of The Literature (policy brief). <http://bit.ly/2TXtccN>

162 ONS (2018). The 2008 recession 10 years on. <https://bit.ly/32ZTJMm>

163 Fullfact (2019). Employment: what's happened to wages since 2010. <https://bit.ly/33UpNAQ>

164 ONS (2020). Index of Private Housing Rental Prices, UK: July 2020. <https://bit.ly/2FPhgXW>

165 Statista (2020). 12 month percentage change in house prices in the United Kingdom (UK) from July 2007 to July 2019. <https://bit.ly/3mLXdu5>

166 Reis, S. (2019). A home of her own: housing and women. UK Women's Budget Group <https://bit.ly/3n0jc0q>

167 NB: Data did not cover Northern Ireland. Monbiot, G., et al. (2019). Land for the Many: A report to the Labour Party. <https://bit.ly/361JhWR>

168 ONS (2019). Comparing affordable housing in the UK: April 2008 to March 2018. <https://bit.ly/2FWSvZK>

169 Housing is considered 'affordable' when it takes less than a third of a household's income. Reis, S. (2019). A home of her own: housing and women. UK Women's Budget Group <https://bit.ly/3n0jc0q>

170 Resolution Foundation (2017). Home affront: housing across the generations. <https://bit.ly/3kMWvLi>

171 Ibid.

reasonably modern facilities and services, or has ineffective insulation or heating).¹⁷² The private rented sector is also characterised by short-term contracts, arbitrary rent increases and short-notice evictions. Wales and Scotland have been most active in regulating the private rented sector, with less legislative activity in England and Northern Ireland.¹⁷³

The number of rough sleepers in England has increased since 2010, by around 165%.¹⁷⁴ The vast majority of people recorded sleeping rough in England are men (84%), but women, who are less likely to be visibly homeless, and less likely to access mainstream services, make up the majority (67%) of statutory homeless people.¹⁷⁵ Rough sleeping has more than doubled in Wales since 2008,¹⁷⁶ and the number of those in Scotland who slept rough before asking local authorities for help has recently increased to 2,876.¹⁷⁷ In Northern Ireland, while the total number of people registering as homeless has been virtually static over the past few years, Full Duty Applicant¹⁷⁸ cases have been steadily rising, increasing by 26% since 2009–10.

How should things change?

Housing policy for successive governments over the last three decades has focused on encouraging and subsidising home ownership, targeting people with relatively high incomes. Policy priorities and funding needs to be reoriented to ensure that everyone is able to access a safe and warm home.

Recommendations to the UK government, devolved governments and local authorities where appropriate:

- ▶ **Invest in energy-efficient social housing and genuinely affordable housing, which is adapted to care needs, and reflects women's lower average earnings.**
We endorse Shelter's call for the UK government to deliver 3.1 million more social homes in England within 20 years¹⁷⁹
- ▶ **Ensure local councils or Housing Executives can invest in social and affordable housing** to fulfil their homelessness statutory duties and local housing strategies
- ▶ **Strengthen tenants' protections and rights** through measures such as rent controls, longer/indefinite tenancy contracts, the possibility for tenants to leave tenancy without penalty, a landlord registration process and protection from no-fault evictions and insecure living conditions, wherever these are not already in place

172 MHCLG (2019). English Housing Survey – Stock profile and condition, 2017. <http://bit.ly/2ZduzZD>

173 House of Commons Library (2019). Comparing private rented sector policies in England, Scotland, Wales and Northern Ireland <https://bit.ly/331liF7>

174 MHCLG (2018). Rough Sleeping Statistics Autumn 2018, England (Revised). <https://bit.ly/3j2hyJf>

175 Reis, S. (2019). A home of her own: housing and women. UK Women's Budget Group <https://bit.ly/3n0jc0q>

176 Welsh Government (2020). National rough sleeper count. <https://gov.wales/national-rough-sleeper-count>

177 Scottish Government (2019). Homelessness and Housing Options statistics published. 26 June. <https://bit.ly/3630sqY>

178 Full Duty Applicants: In order to be 'accepted' as statutorily homeless a household must meet the four tests of: eligibility; homelessness; priority need; and intentionality. Any household that meets these four tests will be accepted as a 'Full Duty Applicant' (FDA) and will be owed a full housing duty. The full housing duty includes ensuring that accommodation is made available for the household as well as the provision of temporary accommodation where necessary and assistance with the protection of the household's belongings. See: Department for Communities (2019). Northern Ireland Homelessness Bulletin, April – September 2018. <https://bit.ly/3j0jzWc>

179 Shelter (2019). Building for our future: a vision for social housing. <https://bit.ly/3csilRj>

Box 16: Case studies – housing**Goldsmith Street**

Goldsmith Street, a development of 105 brick properties on the outskirts of Norwich, is an award-winning social housing project. The houses, wholly owned by the council, are ecologically designed, with heating bills predicted to cost around £150 per year.¹⁸⁰

Housing First

Originally implemented in Finland, this housing scheme is being piloted in England in specific areas, including the West Midlands. It aims to provide a permanent social housing tenancy as the first unconditional step in recovering the lives of homeless individuals with multiple and complex needs, and this is followed by intensive wrap-around support. The first results are encouraging, with high levels of success in reducing long-term and repeated homelessness.¹⁸¹

*The analysis in this section drew on the briefing paper on housing, written for the Commission on a Gender-Equal Economy.*¹⁸²

Public transport

What needs to happen?

Affordable, accessible, green and reliable public transport is essential to meet the needs of the public it services, allowing people to undertake day-to-day activities and access services. It is a crucial part of an economy which is to secure gender equality, wellbeing and sustainability.

Why is change needed?

Across the UK, most public transport is neither affordable, nor accessible, nor reliable, which exacerbates social disadvantage and inequality.¹⁸³ It is used by the public, but tends to be privately owned and weakly regulated, and has not been operated in ways that recognise and provide for different transport needs. Transport is a devolved competency so there is some divergence across the four nations.

Women travel more by bus than men, and men travel more by rail than women.¹⁸⁴

Overall, men tend to travel longer distances,¹⁸⁵ particularly in commuting to work,¹⁸⁶ and are more likely than women to hold driving licences and take trips by car, and to cycle.¹⁸⁷

180 The Guardian (2019). Spacious and green: inside Norwich's award-winning new council houses. 11 October. <https://bit.ly/2RV1ZXE>

181 Homeless Link (n.d.). Housing First in England: an evaluation of nine services. <https://bit.ly/2G4h7Q7>

182 Reis, S. (2019). Housing and gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2RZ2ccq>

183 For a comprehensive analysis of the links between poverty and transport, see: Oviedo Hernandez, D. et al. (2014). Transport and Poverty: A review of the evidence. <https://bit.ly/3kJEUUm>

184 Department for Transport (2020). Statistical data set: mode of travel. <https://bit.ly/307xJNV> NTS0702

185 Department for Infrastructure (2019). Travel Survey for Northern Ireland In-depth Report 2015-2017. <https://bit.ly/3iWD9Tj> p.21

186 Institute for Fiscal Studies (2018). The 'gender commuting gap' widens considerably in the first decade after childbirth. 7 November. <https://www.ifs.org.uk/publications/13673>

187 Department for Transport (2019). National Travel Survey. Table NTS0601a: Average number of trips (trip rates) by age, gender and main mode: England. <https://bit.ly/2HrFM1v>; Transport Scotland (n.d.). Motor Vehicles Traffic and Driving: Transport and Travel in Scotland Results from the Scottish Household Survey. <https://bit.ly/2RTGdUt> Fig. 19; Sustans (2018). Bike life: Inclusive city cycling. Women: reducing the gender gap. <https://www.sustrans.org.uk/media/2930/2930.pdf>

Women travel on foot more than men. A key reason for this disparity in transport use is rooted in the fact that women are more likely to have unpaid caring responsibilities than men, which may require them to make multiple short journeys during a day (for example, to drop children off at school, visit an elderly parent and shop for food) and to travel with dependents.¹⁸⁸ But public transport systems tend to be built on the 'hub and spoke' model, which carry people in and out of town centres, and so are much more suited to longer commuting journeys instead of multiple short journeys.¹⁸⁹

While over half of all journeys on public transport in Britain are made by bus,¹⁹⁰ UK public spending has been very skewed towards rail (£17.7bn on rail compared to £2.5bn on local buses in 2017–18),¹⁹¹ which men, and richer households, are more likely to use, and so disproportionately benefit from this investment.¹⁹² There is a clear need to reorient policy and funding to ensure a more equitable public transport system.

Box 17: Voices from the frontline

'If the bus only comes twice a day, you can't take your child to childcare and then go to work. This is the reality in West Wales and Mid Wales.'

Participant at dialogue session between local women's and equalities organisations and the Commission on a Gender-Equal Economy, Cardiff, June 2019

The UK is unique in Europe in having a deregulated system for its buses. Bus services are primarily delivered by private companies across the UK, except in Northern Ireland, where buses are publicly run. The role of government, at various levels, has been to subsidise elements of local transport including concessionary fares and 'socially necessary' services. Recent cuts imposed on local governments have had a significant impact on transport subsidies, which has resulted in rising fares and significant cuts to bus services in many areas. Wales and north-west England have been hardest hit by cuts to bus services, while London, the East of England and the South East have seen bus mileage increase over the past decade.¹⁹³

Box 18: Voices from the frontline

'I can remember in the early 80s when an adult could go anywhere in Sheffield on the bus for 10p – and a child for 2p. What an easy, underrated, cost-effective thing that was, that could be done again.'

Participant in England dialogue session between local women's and equalities organisations and the Commission on a Gender-Equal Economy, Sheffield, February 2020

188 Gill, R. (2019). Public transport in a gender-equal economy. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/33Zv75M>

189 Ibid.

190 Department for Transport (2018). Transport statistics Great Britain 2018. <https://bit.ly/3kQ1Ukr> p.14

191 House of Commons Library (2018). Transport spending by region. <https://bit.ly/3cti8x7>

192 Equality Trust (n.d.). Taken for a ride: how UK public transport subsidies entrench inequality. <https://bit.ly/3csuSny> p.3

193 BBC News (2018). Britain's bus coverage hits 28-year low. 16 February. <https://bbc.in/3n0IRHs>

The weakness of this system has been revealed by the Covid-19 pandemic. Privately-run public transport has only been kept going through huge public subsidies, to ensure it can keep running despite low passenger numbers: Only 4% of the usual rail passengers travelled at the start of lockdown in spring 2020 – rising to a little under 10% in June 2020 as restrictions eased.¹⁹⁴

Public transport is critical to tackling climate change. According to Friends of the Earth, transport is the UK's biggest contributor to climate change.¹⁹⁵ The switch from private car to public bus can be transformative: overall, buses emit less air pollution than the equivalent number of car journeys and a fully loaded double-decker bus can take up to 75 cars off the road.¹⁹⁶ Alongside this, governments should ensure public buses are zero emission vehicles – the technology for buses in this arena is far ahead of that for cars.¹⁹⁷ Transport for London aims to purchase only zero emission bus vehicles from 2020¹⁹⁸ and it has put buses at the heart of its ambitious sustainability targets.¹⁹⁹

Transport is the UK's biggest contributor to climate change

How should things change?

Recommendations to the UK government, devolved governments and local authorities where appropriate:

- ▶ **Develop a high-quality public transport system through increased investment, particularly in buses**, which includes a comprehensive network; frequent, reliable and affordable services which reflect everyone's transport patterns; a single ticketing system which includes part-time travel passes, valid across all modes; new low-emission vehicles; and high-quality waiting facilities²⁰⁰
- ▶ **Strengthen regulation** and take contracts to run services back into **public ownership**. In 2018, 64% of people polled supported taking the railways into public ownership²⁰¹
- ▶ **Improve gender-disaggregated data collection** across the UK, alongside income level, age, race/ethnicity and disability. Transport for London's Oyster Card system, replicated by some cities in the UK and around the world, allows for significant data capture, which in turn, can support development of a more responsive travel system

194 The Guardian (2020). What next for the UK's deserted public transport network? 27 June. <https://bit.ly/3kL2XIN>

195 Friends of the Earth (2019). A radical transport response to the climate emergency. 26 October. <https://bit.ly/2S3kKbr>

196 Greener Journeys (2017). Improving air quality in towns and cities: why buses are an integral part of the solution. <https://bit.ly/3i1tSrR> p.2

197 Ibid. p.7

198 Transport for London (2019). Transport for London Business Plan 2019-20 to 2023-24. <https://bit.ly/32X3pr8> p.15

199 Ibid. p.78

200 Friends of the Earth (2019). Transforming public transport: regulation, spending and free buses for the under 30s. <https://bit.ly/2RUhdMP>

201 Full Fact (2018). Do the public want the railways renationalised? <https://bit.ly/2Hw9S43>

- ▶ **Ensure that public transport is accessible and welcoming to disabled passengers**, including step-free station access, accessible buses and trains, and guaranteed 'turn-up-and-go' assistance.²⁰² See Box 19 for an example of disabilities and equalities training for bus drivers in Wales.

Box 19: The Voluntary Welsh Bus Quality Standard

The 'Voluntary Welsh Bus Quality Standard' aims to help bus operators and local authorities in Wales improve the quality of bus services. 'Core' requirements for this standard include drivers undertaking disability and equalities awareness training, refreshed every five years. The standard also has an enhanced element where providers have to include a ticketing scheme aimed at people employed on part-time or irregular hours.²⁰³

*The analysis in this section drew on the briefing paper on transport, written for the Commission on a Gender-Equal Economy.*²⁰⁴

Education

What needs to happen?

An education system which is well-funded and which supports equality, wellbeing and sustainability both in curriculum and school environment is essential to the successful creation of a caring economy. The Covid-19 GCSE/National 5s and A-Level/Highers results scandal in summer 2020 shed light on how the education system can compound, instead of counter, disadvantage, and highlighted the need to embed substantive equality within our education systems.²⁰⁵

Why is change needed?

The education systems across the UK, which are wholly devolved, play a crucial role in reproducing, as well as potentially challenging, inequalities. Schools, colleges and universities are the sites where children and young people gain education and their knowledge on how to navigate adulthood, which carries huge implications for social equality throughout their lives. Adult education colleges offer a crucial opportunity for adult learners to retrain and to improve their skills and earnings prospects. This is particularly crucial for women, who may be returning to the paid labour market after engaging in unpaid care.

Cuts to spending in schools have been substantial over the last decade across the UK: while school funding varies across the nations, all parts of the UK have effectively seen a fall in spending per pupil since 2010.²⁰⁶ These cuts have impacted particularly

202 Campaign for Better Transport (2017). Transport accessibility: how do we make public transport open to all? <https://bit.ly/33Sl2a0>

203 Welsh Government (2018). Voluntary Welsh Bus Quality Standard (Second Edition). <https://bit.ly/3cswKwA>

204 Gill, R. (2019). Public transport in a gender-equal economy. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/33Zv75M>

205 The Guardian (2020). Who won and who lost: when A-levels meet the algorithm. 13 August. <https://bit.ly/2FXBz5o>

206 BBC News (2019). Seven charts on the £73,000 cost of educating a child. 2 December. <https://bbc.in/2Ho9Ris>

on children with special educational needs and disabilities.²⁰⁷ Cuts have also often resulted in teacher or teaching assistant numbers being cut,²⁰⁸ which have a disproportionate impact on women as they are the majority of teachers and teaching assistants.²⁰⁹ While there have been recent increases in funding specifically for mental health support in schools, often schools in England still have to use their own resources to provide support, which means that tough decisions about resource allocation have to be made.²¹⁰ The children's commissioner for England, Anne Longfield, said in early 2020 that England was still a decade away from decent mental health services for all children.²¹¹

Adult education participation rates across the UK slumped to the lowest level for 20 years in 2019,²¹² with funding for adult education being cut in England by 45% since 2009–10,²¹³ with similar cuts in Wales²¹⁴ and Northern Ireland,²¹⁵ although Scotland bucked the trend, announcing an above-inflation increase funding for further education of 3.6% in 2020.²¹⁶

With the exception of Scotland, whose government announced in 2020 a 13% pay increase for teachers,²¹⁷ teaching is relatively low paid compared to similar professions,²¹⁸ and there is a gender pay gap. Men are concentrated in leadership positions within schools,²¹⁹ and in England, academisation²²⁰ has exacerbated the gender pay gap because of the introduction of bonuses.²²¹ In higher education, the average gender pay gap in 2018 is 15.9%, with 30 universities reporting a 20% pay gap.²²² White academic staff at the UK's universities and colleges were also found to earn 14% more than their Black peers.²²³

Both academic and vocational subject choices are gendered, which has implications for career paths and rewards. Subject choices are often influenced by peer pressure and social norms and expectations. Generally, careers education is underfunded, patchy and patterned, systematically failing to reach those who need it most. Work experience

207 The Observer (2018). 'Devastating' cuts hit special educational needs. 10 April. Available: <https://bit.ly/3csqzbU> and National Education Union (2019). Supporting special education needs and disabilities. 16 April. <https://bit.ly/2EvmkQk>

208 The Sutton Trust (2017). Teacher Polling 2017. 11 April. Available: <https://bit.ly/2HyCo5f>

209 OECD (2017). Distribution of teachers by age and gender. <https://bit.ly/3mRRPFt>

210 The Guardian (2020). English schools buying in mental health support has 'almost doubled' in three years. 3 February. <https://bit.ly/332Xb9j>

211 The Guardian (2020). England 'decade away' from decent children mental health services. 30 January. <https://bit.ly/3kM1b42>

212 FE Week (2019). Adult education slumps to lowest since major survey began more than 20 years ago. 7 September. <https://bit.ly/3hX1QO1>

213 Ibid.

214 Wales Online (2014). Adult learning funding set for a squeeze of more than a third by Welsh Government. 16 January. <https://bit.ly/3kLwY4V>

215 BBC News (2016). 16% drop in Northern Ireland further education college numbers. 9 December. <https://bbc.in/2EuXHDl>

216 Scottish Government (2020). Scottish Budget 2020-2021. <https://bit.ly/3mRCbdu>

217 Ibid.

218 NASUWT (2017). Emerging teacher pay gap threatens to 'worsen recruitment crisis'. 17 February. <https://bit.ly/3mPk4EX>

219 Department for Education (2017). School Workforce in England: November 2016. 20 July. <https://bit.ly/3kQ59Z9>

220 Academisation is the process through which local authority maintained schools become academies, breaking the link with local authorities and instead receiving funding directly from central government.

221 Schools Week (2019). England's largest academy trusts see gender pay gap widen. 5 April. <https://bit.ly/2G70hQq>

222 Times Higher Education (2018). Gender pay gap: how much less are women paid at your university? 6 April. <https://bit.ly/2JnyQ29>

223 The Independent (2019). Black and minority ethnic academics less likely to become professors than white colleagues. 15 October. <https://bit.ly/3ctRjby>

is also often gender stereotyped. Women make up 35% of those studying STEM degrees in the UK, and just 19% of engineering and technology students.²²⁴ These figures are reflected in the labour market. England has one of the worst percentage rates of professional women engineers in the world.²²⁵

A crucial part of building a caring economy is educating young people about violence, challenging harmful gender norms and providing adequate guidance on healthy relationships. Relationships and Sex Education (RSE) is in place, or will soon be, across the four nations and across educational settings, covering many of these issues.²²⁶ Across these contexts, relationships education is to be taught within the context of the Equality Act with due regard to 'protected characteristics' including LGBTQ+ identities. However, there is particular concern in Northern Ireland about the frequent provision of RSE by third parties based on anti-abortion and abstinence ethos. A recent CEDAW report pointed to 'State negligence' in pregnancy prevention through failure to ensure comprehensive and scientifically accurate RSE in Northern Ireland.²²⁷

At the same time, sexual harassment and violence are prevalent across a range of educational contexts across the UK. In 2017, 64% of girls aged 13–21 reported having experienced sexual violence or sexual harassment at school or college in the past year.²²⁸ Many efforts to eradicate violence in educational settings are already in place, such as *Equally Safe in Higher Education* (ESHE) in Scotland,²²⁹ or *Erase the Grey* at Glasgow Caledonian University.²³⁰

A crucial part of building a caring economy is educating young people about violence, challenging harmful gender norms and providing guidance on healthy relationships

While financial literacy is part of curricula across the four nations, a vast majority of young people polled in 2019 across the UK said that financial education at school was 'patchy', and nearly three-quarters said they got most of their financial understanding from parents and other family members.²³¹ The lack of financial literacy is particularly prevalent in young women in the UK.²³² Thorough financial education is a crucial part of challenging embedded inequality and ensuring that everyone can learn to manage their money, and not just those whose parents are equipped to teach them this.

224 STEM Women (2019). Percentages of women in STEM statistics. 26 September. <https://bit.ly/363lDrF>

225 UK Government (2013). Engineering skills: Perkins review. 4 November. <https://bit.ly/3i1VHAb> and Royal Academy of Engineering (2019). Engineering skills for the future: The 2013 Perkins Review revisited. <https://www.raeng.org.uk/publications/reports/engineering-skills-for-the-future>

226 Wilkinson, D. C. (2017). Sex and relationships education: a comparison of variation in Northern Ireland's and England's policy-making processes. *Sex Education* 17 (6): 605–620; Patterson, S., et al. (2020). How men and women learn about sex: multi-generational perspectives on insufficient preparedness and prevailing gender norms in Scotland. *Sex Education* 20 (4): 441–456

227 Committee on the Elimination of Discrimination against Women (2018). Report of the inquiry concerning the United Kingdom of Great Britain and Northern Ireland under article 8 of the Optional Protocol to the Convention on the Elimination of All Forms of Discrimination against Women. <https://bit.ly/306Axec>

228 Girlguiding (2017). Girls' Attitudes Survey 2017. <https://bit.ly/2HmF5qa>

229 See the work being conducted by the University of Strathclyde, which has been used as a pilot site for developing the Equally Safe in Higher education toolkit: <https://bit.ly/3kJNqmj>

230 Glasgow Caledonian University (n.d.) Erase the Grey. <https://bit.ly/2S3orxP>

231 Financial Times (2019). Financial education fails to add up for young people. 19 November. <https://on.ft.com/365DAqU>

232 FinExtra (2020). Brits lack financial literacy. 8 January. <https://bit.ly/341hseJ>

How should things change?

Recommendations to the UK government, devolved governments and local authorities where appropriate:

- ▶ Ensure that **funding follows need** across all educational settings
- ▶ Restore and enhance **lifelong learning** and continuing education
- ▶ Significantly **increase teachers' salaries**, aiming to reduce the gender pay gap and with a focus on teaching assistants and support staff
- ▶ Create **promotion pipelines** for under-represented teachers to progress to senior leadership positions
- ▶ Provide impartial, student-centred, high-quality and equitable **careers provision** and work experience for all students
- ▶ Create **funded apprenticeship schemes** targeted specifically at encouraging girls and women into STEM apprenticeships, and boys and men into health and social care apprenticeships
- ▶ Increase the priority of **financial education** within curricula across the four nations
- ▶ Drastically **increase funding for mental health** services in schools, so that all schools are able to meet the mental health needs of pupils
- ▶ Ensure that **healthy relationships, sexism, consent, harassment and violence** are addressed explicitly in RSE, while ensuring that schools are also safe places for RSE to address these issues
- ▶ Implement a **zero tolerance approach to harassment and VAWG** in schools and better awareness around these subjects, including addressing gendered forms of bullying, and work with local partners such as Rape Crisis²³³

*The analysis in this section drew on the briefing paper on education, written for the Commission on a Gender-Equal Economy.*²³⁴

233 See Neitzert, E. (2020). Violence against women and girls and women's economic inequality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2FOzJ6X>

234 Bragg, S., T. Page and V. Sundaram (2020). Education, gender equity and social justice. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2S3oHgh>

3. Transform the worlds of paid and unpaid work



What needs to happen?

To build a caring economy based on equality and wellbeing, it is necessary to transform the worlds of paid and unpaid work.²³⁵

This will provide not just more jobs, but better jobs, that enable women and men to share paid and unpaid work equally; that provide a secure and living income; that are environmentally sustainable; and that are free from gender stereotypes and discrimination. In a caring economy, the worlds of paid and unpaid work will respect people's multiple roles as carers, community members, parents, partners, and so on, alongside their roles as paid workers. In a caring economy, a fuller understanding of the different parts of human experience is taken into account.

In a caring economy, a fuller understanding of the different parts of human experience is taken into account

Why is change needed?

Gender inequalities in the distribution of paid and unpaid work, as well as inequalities within the paid labour force, have been remarkably resistant to change. As seen earlier in the report, women continue to do the majority of unpaid work, and are less likely to be in paid work than men. Women not in paid employment are described as 'economically inactive' despite their unpaid contributions to the economy. There are substantial differences between different groups of women: for instance, in 2018, Bangladeshi women were almost 2.5 times more likely to be described as 'economically inactive'²³⁶ than White British women.²³⁷ Asylum seekers are not allowed to be 'economically active',²³⁸ unlike in countries such as Sweden, where asylum seekers are able to seek paid work immediately after arrival in the country until a decision is made on their asylum application.

As for the type and quality of paid work that people are doing, women are more likely to be in part-time and insecure employment (with Black women the group most likely to be working on a zero-hours contract).²³⁹ Women are also segregated into a narrow range of occupations. In the UK, while women cluster in the '5 Cs' – cleaning, catering, caring, cashiering (retail) and clerical work – men occupy a much wider range of jobs.

235 Paid work refers to productive work for which an income is received, in the formal or informal economy. Unpaid work refers to productive work for which there is no financial compensation, which includes childcare, housework, caring for other adults, or voluntary work. See: Swiebel, J. (1999). Unpaid Work and Policy-Making Towards a Broader Perspective of Work and Employment. DESA Discussion Paper No. 4, <https://www.un.org/esa/desa/papers/1999/esa99dp4.pdf>

236 The ONS defines an individual as 'economically inactive' if they are not in work and have not sought work in the last four weeks. This contrasts with 'unemployed' individuals who are also not working but looking for work. For ONS labour market definitions, see: ONS (2020). A guide to labour market statistics: economic inactivity. <https://bit.ly/33ZyZDQ>

237 ONS (2019). Ethnic pay gaps in Great Britain: 2018. <https://bit.ly/32ZIRhv>

238 Reis, S. (2020). Migrant women and social security. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2FXJ3Fy>

239 TUC (2017). Insecure work and ethnicity. 2 June. <https://bit.ly/3cSAho2>

In 2017, among full-time employees, men made up 92% of those employed in skilled trade occupations (which require technical training). In contrast, 76% of employees in caring, leisure and other service occupations are women. Men are the majority among the highest paying occupation groups (chief executives and senior officials, and managers and directors).²⁴⁰

The number of self-employed women has increased at almost double the rate of self-employed men in the past ten years.²⁴¹ While self-employment remains a positive option for those who are established and have personal assets, almost one-third of the self-employed, disproportionately women, are low-paid and insecure.²⁴²

The gender pay gap persists. As discussed earlier, in 2019 it was 8.9% for full-time employees, an increase from 8.7% in 2018.²⁴³ The overall gender pay gap for both full- and part-time employees was 17.3% (17.9% in 2018). The overall pay gap is greater because more women work in part-time jobs, which are lower paid on average (£9.94 per hour compared with £14.88 for full-time jobs). The gender pay gap is very likely to worsen after the Covid-19 pandemic. Because of the crisis, the government decided to suspend gender pay gap reporting in 2020. Resuming gender pay gap reporting as soon as possible is crucial.

The pay gap is larger for women who face multiple structural inequalities: for instance, disabled women earned 25% less per hour than non-disabled men in 2018²⁴⁴ and Pakistani women earned 28% less per hour than white British men.²⁴⁵

However, perhaps the most striking statistic is the gender earnings gap, which is calculated based on median annual earnings and the employment rate of women and men. In 2019, on average, women earned 43% less than men from paid work, because they have a lower employment rate than men and, those women who are employed are subject to the gender pay gap.²⁴⁶

At the root of women's disadvantage in the labour market is inequality in unpaid work. A crucial point for the development of the gender pay gap is having children. 75% of mothers face pregnancy or maternity-related discrimination²⁴⁷ and the overall gender pay gap is most pronounced for the over-40s.²⁴⁸ Implementing equal parental and caring leave policies is a crucial step to addressing this, alongside tackling occupational segregation, as discussed above, where women are concentrated in low-paying sectors. Supporting trade union membership is also important because union membership is positively correlated with a narrower gender pay gap.²⁴⁹

240 ONS (2018). Understanding the gender pay gap in the UK. 17 January. <https://bit.ly/3mSMk9y>

241 ONS (2020). Employment in the UK: March 2020. <https://bit.ly/3mPwTyW>

242 <https://wbg.org.uk/wp-content/uploads/2020/07/Women-and-self-employment.pdf>

243 WBG (2020). Women, employment and earnings (<https://bit.ly/2R4d4pj>) based on ONS (Oct 2019) EMP01 SA: Full-time, part-time and temporary workers (seasonally adjusted) <http://bit.ly/2pZwHnW>

244 ONS (2018). Disability pay gaps in the UK: 2018. 2 December. <https://bit.ly/2R6RQHF>

245 Figures apply to Britain only (not Northern Ireland). ONS (2019). Ethnicity pay gaps in Great Britain: 2018. <https://bit.ly/330onW3> Figure 7.

246 WBG calculation based on Labour Force Survey and median average earnings in ASHE (2019) <https://bit.ly/2v9klwq>

247 Equality and Human Rights Commission (2018). Is Britain Fairer? The State of Equality and Human Rights 2018 <https://bit.ly/39QbhvL>

248 ONS (2019). Gender pay gap in the UK: 2019. 29 October. <https://bit.ly/3i0yjmE>

249 Neitzert, E. (2019). Gender equality and paid/unpaid work: overview paper. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3klMVSE>

Automation is rapidly transforming the nature of work, and recent analysis suggests that jobs currently held by women are more likely to be at risk of elimination.²⁵⁰ Implementation of enhanced skills training and guidance to respond to technological and other changed labour market opportunities is crucial. Further, there is consensus that there will be a large rise in unemployment when the furlough scheme and the job support scheme, which have kept millions of workers on the books of their employers during the Covid-19 lockdown, ends.²⁵¹ Covid-19 has accelerated structural changes in the economy, such as the rise of online retail, and created new risks, such as in leisure services, where jobs may not return. High levels of unemployment will exacerbate existing inequalities and seriously damage wellbeing.

How should things change?

To build a caring economy, where inequalities in paid and unpaid work cease to exist, it is crucial to recognise the *interdependence* of paid and unpaid spheres of work. This implies a shift away from relying on, yet taking for granted, unpaid work such as childcare, housework, and caring unpaid for elderly, vulnerable or disabled adults, to recognising the essential role of unpaid work in the economy, and its connections to paid work. It also means facilitating the equal sharing of this unpaid work between women and men. While women's presence in the paid labour market has increased substantially in recent years, men's take-up of unpaid labour has been much slower. Boxes 20 and 21 show how the UK compares internationally in terms of parental and caring leave.

Box 20: Parental leave

In a recent UNICEF study, Sweden, Norway and Iceland were ranked the three most family-friendly countries in terms of paid parental leave and childcare take-up.²⁵² However, across the board, very few countries offer well-paid individual leaves to fathers/partners. Leave reserved for fathers/partners makes up at least one third of all available paid leave in only four countries – Iceland, Japan, the Republic of Korea and Portugal.

Iceland's parental leave policy is world-renowned. Currently, it is made up of four months of maternity leave, four months of paternity leave, and two months of shared leave to be divided between the parents. In January 2021, this will increase to five months of maternity leave and five months of paternity leave, as well as two additional months to divide. Both leaves are paid at 80% of income, with a special scheme for students and people outside the paid workforce. Paternity leave take-up in Iceland is around 91%.²⁵³

In the UK, statutory maternity leave is 52 weeks, with payments tapering off over the year, and paternity leave is 2 weeks. Take-up of any paternity leave by fathers is around 31%, and use of shared parental leave is around 1%. Many employers

250 ONS (2019). Which occupations are at highest risk of being automated? 25 March. <https://bit.ly/2Hwe2Jd>; IPPR (2019). The future is ours: Women, automation and equality in the digital age. <https://bit.ly/3mPtWyy>; IWPR (2019). Women, automation and the future of work. <https://bit.ly/3hVUjPC>; see also World Economic Forum (2018). Towards a reskilling revolution. <https://bit.ly/2G7SRMZ>

251 HM Treasury (2020). Forecasts for the UK economy: A Comparison of Independent Forecasts <https://bit.ly/3hVUpqs>

252 UNICEF (2019). Are the world's richest countries family friendly? <https://bit.ly/3mQ1nkk>

253 See International Network on Leave Policies and Research Country Reports: <https://bit.ly/364yB9L>. See also Blum S. et al (Eds.) (2018). 14th International Review of Leave Policies and Research 2018. <https://bit.ly/3i8iURy>

top up statutory maternity pay, but very few do the same for statutory paternity pay.²⁵⁴

Box 21: Caring leave across the OECD²⁵⁵

Most OECD countries provide employees with an entitlement to leave to care for sick or ill family members, and while some are unpaid, others are paid at full or near-full pay.

Short-term leaves for non-serious illnesses: In Austria, for example, employees have an individual entitlement to two weeks' leave per year to care for a child, and one week's leave per year to care for dependents other than children. Both of these leaves are paid at 100% of earnings. In Poland, employees can take 14 days per year to care for a family member, and additionally, up to 60 days per year to care for a child, at 80% of earnings.

Longer-term leaves for serious illnesses: In Italy, employees can take up to two years' leave over their working life to care for a seriously ill or disabled family member. This leave is paid at 100% of earnings up to a ceiling. In Sweden, employees are entitled to 100 days' paid leave (per episode of illness) to care for a seriously ill family member or other closely related person, paid at 80% of earnings up to a ceiling.

In contrast, in the UK, there is no set amount of leave that employees are entitled to take to care for dependents. Employees can request a 'reasonable amount' of time off to deal with an emergency, including illness of a dependent, but there is no set amount guaranteed and there is no requirement for the leave to be paid. In addition, employees who are also parents have a right to unpaid parental leave. It includes 18 weeks' leave for each child, usually taken as a maximum of four weeks per year. The UK government is currently consulting on implementing some form of Carer's Leave.²⁵⁶

Change can be brought about through legislation; and through encouragement for employers to adopt broader long-term objectives; through promotion of more diverse forms of business ownership (such as cooperatives, employee-owned companies, social enterprises);²⁵⁷ through use of public procurement,²⁵⁸ and local partnerships;²⁵⁹ through strengthening the bargaining power of employees; and through better and more effective regulation of labour and environmental standards.

It is essential that good-quality employment is available on an equitable basis for all who want it. Employment should be caring in the sense that it is designed in ways that support the wellbeing of those who are employed, including recognition of responsibilities for unpaid care; and in ways that care for the planet and support

254 XpertHR (2017). Maternity and paternity leave and pay survey 2017. 24 August. <https://bit.ly/3cy522z>

255 OECD (2020). Additional leave entitlements for working parents. <https://bit.ly/3csANZO>

256 BEIS (2020). Consultation on Carer's Leave. <https://bit.ly/33Y7IBJ>

257 Brett, M. and M. Lawrence. (2020). Gender equity: an economy where we all have a stake. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3j0Tal1>

258 Sarter, K. (2019). Policy paper on public procurement and gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3kMyuDQ>

259 CLES (2019). Why the local economy is important for gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2Gap6uF>

sustainability. Creation of such employment is the responsibility of government and of businesses. Enabling fiscal, monetary and trade policies are important (and are discussed later in this report in steps 6, 7 and 8) but there must also be proactive employment policies that target support to particular sectors, locations and types of business (such as cooperatives and social enterprises which already have a caring approach built into their mandates).

Investing in the care sector is an important way of addressing the impending jobs crisis, as well as taking steps towards gender equality, wellbeing and sustainability. Recent research has shown that investment of 1% of GDP in the care sector would produce 2.7 times as many jobs in the economy overall as an equivalent investment in construction.²⁶⁰ These jobs would be generated not only in care (or construction), but also in industries that supply the care (or construction) sector, and those that supply the goods and services that care (or construction) workers buy. Investment in care would also reduce the gender employment gap, as more women would be likely to be employed in the sector, and would also be more in line with the UK's climate change commitments, as investing in care is three times less polluting per job created overall than equivalent investment in construction.²⁶¹

Research by the Institute for Public Policy Research estimates that government investment could create 700,000 new jobs in social care and healthcare; 560,000 new jobs in low-carbon home related investments; and 230,000 jobs in better public transport.²⁶² These jobs are needed, but quantity is not enough. Without specific interventions, they could be designed in ways that perpetuate inequalities, damage the wellbeing of workers, and fail to recognise the interdependence of unpaid work and paid work. Similarly, steps must be taken to ensure that the rewards of technological progress, including automation, are equitably shared, are environmentally sustainable and positively impact on wellbeing.²⁶³ A caring economy requires not only job creation but also job transformation.

Box 22: Voices from the frontline

'The thing is, the majority of employers won't do anything unless they are legally required to do so. Particularly SMEs are less likely to make steps.'

Participant, Scottish dialogue session between local women's and equalities organisations and the Commission on a Gender-Equal Economy, Glasgow, September 2019

Recommendations to the UK government and devolved governments where appropriate:

- ▶ Implement **legal entitlements to paid caring leave** for all employees across

260 Himmelweit, S. and J. De Henau. (2020) A Care-led recovery from coronavirus. UK Women's Budget Group. <https://bit.ly/2FWjzIC>

261 WBG calculations using Eurostat data on environmental accounts from 2015. For more on investment in the care sector, see *ibid*.

262 IPPR (2020). Transforming the economy after Covid-19. <https://bit.ly/3i1QQz4> The report analyses the regional distribution of the jobs but not the distribution by gender and race/ethnicity.

263 Singh, A. and S. Darrall (2019). From precarity to empowerment: women and the future of work. RSA. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3j6zol6>

all sectors, and self-employed people, including leave for caring for elderly or disabled people, and monitor men's and women's take-up of caring leave²⁶⁴

- ▶ **Restructure publicly funded parental leave entitlements**, to include enhanced pay, equalisation of eligibility for leave, equal and reserved periods of leave in the first year of parental leave, specific parenting support for fathers/partners, and integration with childcare provision. This includes paid caring and parental leave for later stages of a child's life, such as when parents separate, or when care is required to look after a sick child
- ▶ Introduce an entitlement to **paid domestic violence leave**, to support workers experiencing violence, as has been done in New Zealand²⁶⁵
- ▶ Legislate stronger **protections of employment rights** for self-employed workers, informal workers and temporary workers, including equalising parental leave and pay to that of employed parents,²⁶⁶ a four-week notice period for shift schedules and full payment for their cancellation²⁶⁷
- ▶ Establish an effective wage floor by legislating **a minimum wage which is based on the real cost of living**, as calculated by the Living Wage Foundation²⁶⁸
- ▶ Pursue innovative strategies to **reduce the full-time working week** to around 30 hours, while providing 'living hours guarantees' to ensure workers have enough hours' work to meet their income needs, and in tandem with measures to reduce the cost of living, in particular housing costs²⁶⁹
- ▶ Lift the restrictions on work for **asylum seekers**, so that they can work legally²⁷⁰
- ▶ Ensure **group claims to employment tribunals** regarding equal pay can be made, whereby a union or a lawyer marshals any number of individuals who are all affected by the same pay issue in the same undertaking and runs a representative action in the tribunal
- ▶ **Support greater diversity and innovation in forms of business ownership**, such as cooperatives and social enterprises, through legislation to ensure a level playing field in law between different types of ownership; through support such as that provided by Scotland's Cooperative Development Agency; and through support for employee ownership of shares²⁷¹

264 See Fisher, D. (2019). Caring inequality in UK politics and policy. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3jfcBNr>; and Bennett, F. and S. Himmelweit (2020). Taxation and social security: overview paper. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2G1lGuy>

265 Neitzert, E. (2020). Violence against women and girls and women's economic inequality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2FOzJ6X>

266 Watson, E. (2020). Self-employed women in the UK. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/365AxPx>

267 Warren, T. (2019). The problems faced by low-income women in the labour market. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2FWwKJq>

268 Ibid.

269 Ibid., and Martin, A. and E. Scurrah. (2019). Reclaiming Women's Time: achieving gender equality in a world with less work. NEF. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2RX3k0i>

270 Reis, S. (2020). Migrant women and social security. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2FXJ3Fv>

271 Brett, M. and M. Lawrence. (2020). Gender equity: an economy where we all have a stake. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3j0Tal1>

Recommendations to employers:

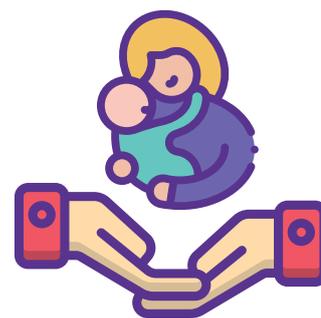
- ▶ Make it easier for workers to **combine paid work and caring responsibilities**, on the assumption that the norm for workers is to have some care responsibilities, for instance by ensuring that all jobs are advertised as flexible by default, and ensuring legal protections (such as redundancy protection) for those working flexibly and undertaking caring leave.²⁷² Flexible working, including increased working from home where possible, would also be more environmentally sustainable as it would reduce commuting
- ▶ Prioritise the **health, safety and wellbeing** of employees, for example through ensuring compliance with health and safety legislation
- ▶ Commit to taking into account, and taking mitigating action where appropriate, **the impact of business decisions on workers, customers, suppliers, the community, and the environment**, and enforce an **accountability** mechanism, for example through B Corps certification
- ▶ Comply fully with all **labour rights** legislation and recognise the right of workers to **join and be represented by a trade union**

The analysis in this section drew on the briefing papers on paid and unpaid work, written for the Commission on a Gender-Equal Economy.²⁷³

272 Neitzert, E. (2019). Gender equality and paid/unpaid work: overview paper. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3kIMVsE>

273 All six papers are available here: <https://wbg.org.uk/commission/inputs-to-the-commission/policy-papers-work-paid-and-unpaid/>

4. Invest in a caring social security system which is based on dignity and autonomy



What needs to happen?

A caring economy requires a caring social security system that prevents poverty; reduces inequalities; safeguards dignity and autonomy; shares costs across the population; protects us against risks to our livelihoods and wellbeing in the different stages of our lives; and supports both paid and unpaid work. A caring social security system helps to ensure people fulfil their capabilities and live a meaningful life.

A caring social security system should aim to fulfil these objectives for all, regardless of immigration status, and including those experiencing violence or abuse. Social security should be attuned to different needs, recognise that there are inequalities within households as well as between them, minimise means-testing and maximise use of non-means-tested benefits. We all benefit from access to social security – and we may all need it, as the Covid-19 pandemic has shown.

We all benefit from access to social security – and we may all need it, as the Covid-19 pandemic has shown

Spending on social security is an investment that has long-term returns not only for recipients, but also for wider society and the economy. For example, children brought up in poverty have inferior health, social and economic outcomes all their lives.²⁷⁴ This reduces their wellbeing and also has costs for wider society, for instance in terms of extra health spending requirements, and for the economy in terms of lost skills and creativity. A caring social security system would prevent the occurrence of all these costs. Cutting funding for social security is a false economy.

Cutting funding for social security is a false economy

Much of what is necessary for everyone to flourish and thrive can only be provided, or is better provided, collectively rather than privately. A caring social security system, along with public services, is a key way of doing this. A public system can ensure that all risks are covered for everyone, unlike private sector financial services, often promoted as an alternative to social security. Private insurers can pick and choose the most profitable clients, but a public system will insure everyone and can have regulations and objectives that differ from generating maximum profits. For example, it can tilt

²⁷⁴ Child Poverty Action Group (2020). The effects of poverty. <https://bit.ly/330qikf>

payments more towards those who have fewer options and/or lower incomes, and ensure that those who contribute to society by engaging in unpaid care are protected.

Why is change needed?

The current social security system as experienced across the four nations of the UK falls well short of this vision of a caring social security system. The real value of most cash benefits has been cut in recent years, while the cost of living has risen. The system has become punitive, stigmatising and harassing those applying for means-tested benefits. It excludes many migrants. It fails to address inequalities within households and to treat women as individuals with their own rights.

In Scotland, efforts are already underway to develop a new approach to social security, based on human rights, dignity and respect for the individual, and which eliminates the 'stressful, complicated and often inhumane' experience that many users have faced (see Box 23).²⁷⁵

Box 23: Voices from the frontline

'Universal Credit? It's been...horrific.'

Participant, England dialogue session between local women's and equalities organisations and the Commission on a Gender-Equal Economy, Sheffield, February 2020

Universal Credit, which is the main system for delivering means-tested working age benefits across the UK, is beset with flaws and reinforces gender inequality: the level of payments is insufficient;²⁷⁶ it is designed to be paid to a single bank account even when covering two people in a couple;²⁷⁷ it reduces the incentive for second earners to enter paid employment; it penalises larger families who have more than two children; the five-week wait upon application pushes people into poverty, particularly rent arrears;²⁷⁸ and the housing element often doesn't cover housing costs.²⁷⁹ Some of the worst elements of Universal Credit have been mitigated by devolved governments in Northern Ireland and Scotland, including frequency of payment and arranging split payments, but the devolved governments do not yet have the powers to create a better alternative to Universal Credit. The Scottish government has, however, used its power to introduce the Scottish Child Payment (see Box 24) and has also substantially increased Carer's Allowance (see Box 25).

Box 24: Scottish Child Payment²⁸⁰

Following a spike in child poverty in Scotland and tireless campaigning by civil

275 Scottish Government (2019). Social Security Scotland: our charter. <https://bit.ly/3cuZQvm>

276 Institute for Fiscal Studies (2019). Universal credit and its impact on household incomes: the long and the short of it. IFS Briefing Note BN248. <https://bit.ly/3mPwywm>

277 WBG, EVAW and SEA (2018). Universal Credit and Financial Abuse: exploring the links. Summary and recommendations. <https://bit.ly/2FP1MTL>

278 The Independent (2019). Universal credit claimants 'six times more likely' to fall into rent arrears despite government reform. 6 February. <https://ind.pn/2YZVkhi>

279 Reis, S. (2019). A home of her own: housing and women. UK Women's Budget Group <https://bit.ly/3n0jc0q>

280 Scottish Government (2020). Social security: Scottish Child Payment. <https://bit.ly/3mYh5dB>

society groups, the Scottish Child Payment was introduced in 2019, where low-income families in receipt of benefits will receive an additional £10 per week per child, with no cap on the number of children who can be supported. The first payments are scheduled to be made by Christmas 2020. While this is still based on means-testing, it is a step in the right direction in that it does not discriminate against families with more than two children, and it more accurately reflects the cost of caring for children.

Box 25: Carer's Allowance Supplement in Scotland

In 2018, the Scottish government increased Carer's Allowance by 13%, meaning that carers in Scotland receive an extra £452.40 per year compared to carers in the rest of the UK.²⁸¹

In 2020, the Scottish government made an automatic additional payment to those receiving Carer's Allowance, to provide further support to carers during the Covid-19 pandemic.²⁸²

The sharp spike in people claiming Universal Credit,²⁸³ alongside other benefits such as Statutory Sick Pay (SSP), as a result of Covid-19 has brought wider recognition that these benefits do not provide enough to live on.²⁸⁴ Further, the fact that many migrant workers, who are disproportionately represented in health and social care sectors, are not eligible to claim benefits such as Universal Credit because they do not have recourse to public funds has highlighted the biases in the system. At the same time, the pandemic has shown that the low levels of SSP are damaging to public health, because they increase the risk that people who are carrying the virus will continue to work, risking the further spread of the virus. This is a clear example of how social security must be seen as an investment for society, and much more than simply payments to individuals.

As disabled people are more likely to face higher barriers to employment, lower pay when in work, and higher living costs, they are more likely to live in poverty. A caring social security system would ensure that disabled people are not worse off than their non-disabled counterparts. However, when the Scottish government examined the impact of welfare reforms on disabled people's lives, the key elements of claimants' experience of the UK disability benefits system were: a system that causes stress and anxiety for claimants; a lack of trust in the benefits system; a complex or unsuitable application process; and a lack of help and communication.²⁸⁵

A central element of the current social security system is means-testing. Means-tested benefits have a lower take-up rate than non-means-tested benefits, implying that many of those entitled are not accessing the benefit.²⁸⁶ Means-testing increases

281 Scottish Government (2020). Social security: benefits for carers. <https://bit.ly/3kMid1T>

282 MyGov.Scot (2020). Carer's Allowance Supplement. <https://bit.ly/33WoPUx>

283 Gov.uk (2020). Universal Credit statistics. <https://bit.ly/306MLUu>

284 BBC News (2020). Coronavirus: 'How is £94 a week going to pay anyone's bills?' 24 March. <https://bbc.in/364uafa>

285 Scottish Government (2020). Welfare reform: impact report on benefits for disabled people. 23 January. <https://bit.ly/3kOH4lQ>

286 Child Poverty Action Group (2019). The problem with means-testing. <https://bit.ly/3hXXNkN>

the likelihood of administrative problems in accessing payments.²⁸⁷ Means-testing is complex, requiring huge amounts of personal information, and can be exhausting and humiliating, as the assumption is that you are **not** entitled to the payment unless you can prove otherwise. Claimants are stigmatised and harassed through sanctions and requirements, some of which have been shown to be impossible to comply with. Perhaps the most egregious example is the two-child limit for the child element in universal credit and tax credits, which women can avoid in very limited certain circumstances, including if they can 'prove' that the child was conceived as the result of rape.²⁸⁸

For those of retirement age, the current UK state pension system, which is based on National Insurance Contributions, fails to provide an adequate income for all. Although the system does credit contributions for those caring full-time for children or adults with disabilities, women still typically have fewer contributions than men, and hence lower entitlements. The state pension currently has an earnings-related component, which builds in further gender inequality, but reforms introduced in 2016 will phase this out. While the UK government considers the current state pension entitlement for those with a full contribution record to be enough to live on, it is around 40% lower than the level deemed adequate by independent sources.²⁸⁹ In addition, better-off people also have private pensions. The UK private pension system is highly unequal, with the capacity to save and the associated tax reliefs heavily skewed towards men, which results in a huge gender private pension gap.²⁹⁰ Across Britain, among all 65–75-year-olds, median pension wealth for men (£164,700) is almost ten times the median pension wealth for women (£17,300).²⁹¹

How should things change?

To achieve a social security system which ensures that everyone's needs are truly met, and which allows people to fulfil their capabilities and live a meaningful life, fundamental changes are required. Some organisations are recommending introduction of a Universal Basic Income (UBI) that would supersede Universal Credit and drastically reduce means-testing.²⁹² Common objections are that this would cost too much if it was at a high enough level to meet basic living costs, and that it would not be targeted to those most in need. These objections can be dealt with by making changes to the income tax system at the same time, including counting UBI as taxable income. However, from a gender equality point of view, there is the risk that UBI could entrench the existing gender division of labour in which women do most of the unpaid care work and participate less in paid work than men. The Commission on a Gender-Equal Economy concluded that more research is needed on this, including monitoring trials of UBI at local level. A UBI for retired people would not run this risk.

287 WBG (2019). Submission to the Commission on Social Security. <https://bit.ly/363aHeU>

288 Child Poverty Action Group (2019). The problem with means-testing. <https://bit.ly/3hXXNkN>

289 See, for example, <https://www.minimumincome.org.uk/>.

290 Lowe, J. (2020). Pensions and gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3i8lMOK>

291 WBG (2020). Pensions and gender inequality: a pre-Budget briefing <https://bit.ly/2FYfB27>

292 Sharples, M. (2020). Basic income and gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3j48x2d>

Recommendations to the UK government and devolved governments where applicable:

- ▶ Ensure the social security system operates in a way that **safeguards dignity**, beginning with the withdrawal of punitive and unreasonable sanctions
- ▶ Ensure that the social security system **provides more autonomy for women**; for instance, each partner in a household establishing their own claim to benefits, and some of their partner's resources being ignored in relation to their claim, as is the case in Australia²⁹³
- ▶ Improve and extend individual **non-means-tested benefits** to replace means-tested benefits wherever possible
- ▶ Ensure benefits to meet **additional costs** of caring for children and of living with disabilities are **non-means-tested** and are **increased to reflect the real level of these costs**²⁹⁴
- ▶ **Provide support for those doing long-term unpaid care**, through a drastically increased Carer's Allowance, for example²⁹⁵
- ▶ **Implement a universal basic income for retired people**, i.e. a non-earnings-related, non-contributory pension for all that genuinely supports a decent standard of living²⁹⁶
- ▶ **Ensure that people are not excluded from social security because of their migration status**. This means abolishing the 'no recourse to public funds' policy and extending the Destitution Domestic Violence Concession to all migrant women²⁹⁷
- ▶ **Embed flexibility into the social security system** in order to support the self-employed, 'gig economy' workers and freelance workers, whose earnings are subject to sharp variations²⁹⁸

*The analysis in this section drew on the briefing papers on social security, written for the Commission on a Gender-Equal Economy.*²⁹⁹

293 TTPI (2019). A 'Fresh Approach to Universal Credit' – Are There Lessons from Australia? 28 April. <https://bit.ly/3cB32Wn>

294 Bennett, F. and S. Himmelweit (2020). Taxation and social security: overview paper. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2G1lGuy>

295 Ibid.

296 Lowe, J. (2020). Pensions and gender equality. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3i8lMOk>

297 Reis, S. (2020). Migrant women and social security. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2FXJ3Fv>

298 Watson, E. (2020). Self-employed women in the UK. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/365AxPx>

299 All briefing papers on social security are available here: <https://wbg.org.uk/commission/inputs-to-the-commission/policy-papers-social-security-and-taxation/>

5. Transform the tax systems across the UK



What needs to happen?

Transformation of the different tax systems across the four nations of the UK is a key part of building a caring economy. The ways that taxes are raised can themselves reduce inequalities and promote wellbeing and sustainability, by impacting on the distribution of post-tax income and wealth, and by impacting on behavioural incentives, such as a frequent flyer levy.³⁰⁰ Taxes also have an indirect effect on equality, wellbeing and sustainability as they allow for financing of public spending to pursue these objectives.

Creating a caring economy requires the UK's tax systems to be transformed so that:

- ▶ more revenue is raised to spend on social security and public services;
- ▶ the structure of taxation is reformed to make it more progressive and the proportion of revenue raised by income, wealth and corporation taxes is increased.

Why is change needed?

The UK is a relatively low-tax country compared with most other Western European countries: tax revenue is 34.1% of GDP, but this is still low compared with an EU-28 average of 39%.³⁰¹ Increasing the amount of revenue raised through taxation would enable the funding of policies which would improve equality, wellbeing and sustainability.

Income taxes are the only directly progressive part of the UK personal tax systems, and therefore the part that can contribute most to reducing income inequality. Income tax is paid individually, unlike in some other countries, but two recent measures undermine the principle of independent taxation: the Higher Income Child Benefit Tax Charge (HICBTC) and the Marriage Allowance.

Rising rates on higher incomes makes personal income tax a progressive tax, but it is much less progressive than it has been historically, when tax rates were higher, particularly on the highest incomes: in the 1970s, the highest rate of income tax on earned income was 83%, in comparison to 45% today (46% in Scotland). Some elements of income tax have been devolved to Scotland, and more recently Wales, so that now income tax on earnings in Scotland is slightly more progressive as there are more bands.³⁰²

Corporation tax was highest in the early 1980s at 52%, compared to 19% today (corporation tax is devolved but is currently the same across all four nations). Subsequent decreases in the top rate of income tax and corporation tax over the past 40 years have accompanied a considerable increase in income inequality over the same period.³⁰³

³⁰⁰ A frequent flyer levy is a proposal to progressively tax frequent flying, thereby constrain demand for flights, while at the same time distributing flights more equally across the income spectrum. 70% of flights are taken by 15% of people in the UK. See: <http://afreeride.org/>

³⁰¹ OECD (2000). Revenue Statistics, 1965–1999.

³⁰² Scottish Government (2020). Income tax in Scotland. <https://bit.ly/363PmBV>

³⁰³ The Equality Trust (n.d.). How has inequality changed? <https://bit.ly/2GbnSja>

At the same time, value added tax (VAT) has increased over the same period, from 8% in the 1970s to 20% today (disregarding the temporary cut to VAT in certain sectors introduced in July 2020 as a result of the Covid-19 pandemic). VAT is regressive because poorer groups pay a higher fraction of their income on VAT: however, VAT exemptions on essential items such as children's clothes and some food mitigate this to some extent.

Wealth inequality has increased even more than income inequality over recent years. Looking at wealth, the top three wealth deciles hold 76% of all wealth in Britain, while the bottom three deciles hold just 2% of wealth.³⁰⁴ As for income, the top 30% have 53% of total disposable income and the bottom 30% have 13%.³⁰⁵ Wealth is spread unevenly across the country, with the biggest concentrations in London and the South East.³⁰⁶ On average women own less wealth than men: women in the UK own approximately 40% of the country's total personal wealth.³⁰⁷ Gender inequality in pension wealth is particularly stark, as seen in the previous section on social security. But wealth is very lightly taxed: the proportion of revenue raised by taxes on wealth has remained flat, or fallen, since the 1980s.

The primary taxes on wealth, including income from wealth, are inheritance tax, dividend tax, council tax, stamp duty and capital gains tax (CGT), which is a charge on the increase in value of an asset when it is sold. It can be argued that corporation tax is also a tax on the wealthy, given that shareholders indirectly pay at least a portion of this tax and share ownership is a form of wealth. Because wealth gets a favourable tax treatment, the current approach entrenches wealth inequality and disproportionately benefits owners of wealth, who tend to be older white men living in London and the South East. There is substantial public support for increased taxes on wealth (see Box 26).

Box 26: Public support for taxing wealth

Tax Justice UK recently found there was strong public support for ensuring that income from wealth is taxed at the same level as income from work.³⁰⁸

They also found that 61% of the public support a wealth tax for people with assets worth more than £750,000 (excluding pensions and main homes).³⁰⁹

Tax on property is one of the oldest forms of taxation. Council tax, or 'rates' in Northern Ireland, differ across the four nations, and are paid by occupiers of the property based on the historical value of the property. In England and Scotland, this is based on 1991 valuations, with slightly more recent valuations in Wales (2003). Council tax is widely recognised as a deeply flawed tax, with criticisms coming from both the left and right of the political spectrum.³¹⁰ The charge has only the loosest relation to the property's current value, the tax is failing to raise enough funds to support local government, and it is deeply regressive.

304 ONS (2019). Total wealth in Great Britain: April 2016 to March 2018. 5 December <https://bit.ly/3cxVZ0m>

305 ONS (2020). Effects of taxes and benefits on UK household income: financial year ending 2019. <https://bit.ly/3cBP3je>

306 IPPR (2017). Wealth in the twenty-first century. <https://bit.ly/3mMFQcq>

307 Credit Suisse (2018). Global Wealth Report 2018. <https://bit.ly/308I3VR>

308 Tax Justice UK (2020). What's wealth got to do with it? Attitudes on public spending, wealth and tax. <https://bit.ly/36cMQJA>

309 Tax Justice UK (2020). YouGov poll: Public want higher taxes on wealth and no bailouts for tax haven companies. <https://bit.ly/3i8o008>

310 IEA (2017). Scrap or overhaul several UK taxes to boost efficiency. 6 March. <https://bit.ly/3i18fYO>

The taxation systems across the UK are ripe for reform: there is significant potential to contribute to the building of a caring economy.

How should things change?

Recommendations to the UK government and devolved governments where appropriate:

- ▶ **Reintroduce genuine independent taxation of income**, by abolishing the marriage allowance and the Higher Income Child Benefit Tax Charge in the personal income tax; and ensure taxation of capital gains is independent too
- ▶ **Abolish the system of poorly designed tax reliefs, allowances and exemptions** which benefit the better-off, undermine the integrity of the tax system, create opportunities for tax avoidance and fuel an attitude to taxation as an unnecessary evil to be avoided
- ▶ **Equalise CGT** rates with income tax and remove the separate tax allowance for CGT; make CGT relief on selling owner-occupied homes eventually payable and end the forgiveness of CGT at death
- ▶ **Tax dividend income** at the same rate as income from work, and remove the separate dividend allowance. This could raise £26bn over five years based on the current income tax schedule³¹¹
- ▶ Introduce a **financial transactions tax** to capture a broader range of transactions (a stamp duty is currently levied on purchase of shares). This could raise £6.8bn a year and help to stabilise the economic system³¹²
- ▶ **Convert inheritance tax into a progressive tax on lifetime gifts** taxed at income tax rates and limit reliefs. This change could raise £4.8bn a year³¹³
- ▶ **Consider replacing the council tax regime with a local income tax, combined with a land value tax.** In the meantime, charge council tax at a progressive series of rates, with more paid by those in the most expensive properties. A revaluation of properties should be made
- ▶ Bring **the corporation rate back up to 24%**, which HMRC estimates could raise £12bn a year³¹⁴
- ▶ Ensure **multinational companies do not avoid corporation tax**, by estimating their UK profits on the basis of their UK sales, staff and assets

Recommendation to businesses:

- ▶ Demonstrate corporate social responsibility by **paying taxes in full** and not seeking to avoid taxes or exploiting loopholes in tax law

*The analysis in this section drew on the briefing papers on taxation, written for the Commission on a Gender-Equal Economy.*³¹⁵

311 IPPR (2019). Reforming the taxation of dividends. <https://bit.ly/304qm90>

312 Progressive Economy Forum (2019). Making the UK a Citadel of Long-Term Finance. <https://bit.ly/3kOJSPU>

313 Resolution Foundation (2018). Passing on: options for reforming inheritance taxation. <https://bit.ly/33UDtMc>

314 HMRC (2020). Direct effects of illustrative tax changes. <https://bit.ly/3kQnXYx>

315 Bennett, F. and S. Himmelweit (2020). Taxation and social security: overview paper. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/2G1IGuy> and Palmer, R. (2020). Wealth, tax and gender. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/30822nl>

6. Refocus the overall fiscal and monetary policy framework to build a caring economy



What needs to happen?

A key part of creating an enabling environment for a caring economy is transforming the fiscal and monetary policy framework so that it focuses first and foremost on equality, wellbeing, and sustainability objectives, and ends the primacy of GDP growth as the key objective (as discussed in Step 1).

Why is change needed?

Until the Covid-19 pandemic, fiscal and monetary policy in UK since the financial crisis of 2010 was framed in terms of the objectives of promoting economic growth; keeping inflation low; reducing public expenditure and taxation to promote private sector investment; and reducing the budget deficit and public debt. This was reinforced by financial deregulation that permitted free flows of capital between countries. Fiscal and monetary policy was constrained by rules and targets that reduced fiscal space and that left little room for increases in public spending.

For example, based on a limited definition of investment (namely spending on fixed **physical** assets that deliver benefits into the future), fiscal rules mean that borrowing is only acceptable to pay for capital investment, which covers investment in physical infrastructure such as the **building** of hospitals and schools. However, the **running** of those public services is not counted as investment but instead as current expenditure – and borrowing to fund this is not seen as legitimate. However, as shown in this report, the delivery of high-quality services has substantial and ongoing positive impacts on society, and the economy, not only now but in the future, and should therefore be valued as investment instead of current spend.

The delivery of high-quality services should be valued as investment

The targets for reducing the budget deficit and public debt have rightly been abandoned to respond to the pressures of the Covid-19 pandemic and the lockdown; and the government has borrowed, at very low interest rates, an unprecedented amount to fund current spending on public services, social security and new subsidies, such as the furlough scheme, to try to save lives, jobs and livelihoods. **It is vital that there is no return in future years to austerity policies.** Indeed, the OECD warned in September 2020 that far from being 'profligate', it is necessary for OECD member governments to continue borrowing to fund public spending.³¹⁶

³¹⁶ The Guardian (2020). Governments should avoid Covid spending cuts and tax rises, says OECD. 16 September. <https://bit.ly/304gity>

Increased debt is entirely manageable for the foreseeable future, while interest rates are so low. Should interest rates rise substantially, debt servicing payments can be covered by raising tax revenue using tax measures set out in step 5, above.³¹⁷

How should things change?

Recommendations to the UK Treasury and the Bank of England:

- ▶ Do not re-adopt **restrictive targets** for government **borrowing** and reducing the budget deficit
- ▶ **Coordinate fiscal and monetary policy, in order to avoid austerity** and instead create and sustain a caring economy
- ▶ **Increase the borrowing powers of devolved governments and local governments** so that they can invest more in a caring economy
- ▶ **Adopt targets directly related to gender equality, wellbeing, and sustainability.**
For example:
 - ▶ the creation of good jobs producing social and environmental value, monitoring not only unemployment and employment, but also under-employment and precarious employment, disaggregated by gender, age, ethnicity, disability and location
 - ▶ the reduction in the proportion of jobs that are in polluting industries, in line with targets for decarbonising the economy
 - ▶ the redistribution of unpaid work, measured by whether the share of men in time spent on this work is rising
- ▶ **Change the national accounting rules** on what counts as 'capital investment' and 'current expenditure', so that expenditure on social infrastructure is recognised as investment just as much as spending on physical infrastructure³¹⁸
- ▶ **Allow borrowing**, including by devolved and local governments, to fund all types of spending when necessary³¹⁹
- ▶ **Reallocate spending** according to equality, wellbeing and sustainability objectives, for example from military and defence spending to care services, and from polluting industries to green industries

*The analysis in this section drew on the briefing paper on macroeconomic policy, written for the Commission on a Gender-Equal Economy.*³²⁰

317 Emmerson, C., Nabarro, B. and Stockton, I. (2020). The outlook for the public finances under the long shadow of COVID-19, IFS Briefing Note BN295. <https://bit.ly/34004FI>; Lenoël, C., Macqueen, R. and Young, G. (2020). Prospects for the UK Economy. National Institute Economic Review No. 253 August 2020. <https://bit.ly/306jp8d>

318 Elson, D. (2020). Macroeconomic policy for a gender-equal economy. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/331U2GF>

319 Ogden, K. and Phillips, D. (2020). COVID-19 and English council funding: how are budgets being hit in 2020–21? IFS Report R174. Institute for Fiscal Studies <https://bit.ly/3kMTRoF>

320 Elson, D. (2020). Macroeconomic policy for a gender-equal economy. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/331U2GF>

7. Work to develop a global trade system that is socially and environmentally sustainable



What needs to happen?

As a result of the UK leaving the European Union (EU), the UK is now responsible for negotiating its own trade agreements. Its future trade and investment agreements should actively promote, rather than undermine, the fulfilment of human rights, and the creation of caring economies based on equality, sustainability and wellbeing, both in the UK and in other countries.

Why is change needed?

International trade is complex and has the potential to have both positive and negative impacts on equality both in the UK, in our trading partners, and in other countries that might be impacted by trade agreements. At this critical juncture of leaving the EU, the UK will simultaneously experience potentially increased trade liberalisation with other countries with which it may negotiate free trade agreements (FTAs), and increased trade barriers with the EU. While the precise impacts of Brexit on different groups in the UK are as yet unknown, work has been done to analyse the potential impacts from a gender perspective.³²¹ Because the effects of changing patterns of trade vary significantly by country and depend on the social and economic context, stage of development and position of different groups, it is important to carry out country-specific and sector-specific equalities impact assessments before committing to any new trade agreement.³²²

Historically, trade agreements covered only trade in goods, and the aim was to reduce the border taxes (tariffs) paid on exports. Modern trade agreements have expanded into areas including trade in services, investment protection, government procurement, intellectual property rights and e-commerce. Trade agreements also create obligations on states in other areas, including regulation of consumer and environmental standards, labour standards and human rights. For example, in the negotiation of post-Brexit trade deals, the UK will have to decide whether it will align safety standards with the EU, or with the USA (which will only regulate if there is proof of harm). This choice will affect UK access to both markets, and also the levels of protection consumers can expect in future over safety standards.

In the UK, Brexit is forecast to result in higher food prices for UK consumers, which

321 See WBG and Fawcett Society (2018). The Economic Impact of Brexit on Women. <https://bit.ly/3cucxXf>; WBG (2018). Gender and Trade, <https://bit.ly/3mNkU4Z>; WBG (2019). Operation Yellowhammer: briefing from the Women's Budget Group, <https://bit.ly/33YmIPX>; WBG (2019). What does Boris Johnson's Brexit deal mean for women? <https://bit.ly/3mQGS7q>

322 Fontana, M. (2016). Gender Equality in Trade Agreements. Study Commissioned by the Policy Department for Citizen's Rights and Constitutional Affairs. European Union <https://bit.ly/3mPB7qu>

would hit the poorest households hardest: 23% of the poorest tenth of households' expenditure is on food, compared to the richest tenth, who spend 10%.³²³ This will disproportionately affect women as they are more likely to be poor, and more likely to have to manage tight household budgets.

Trade can impact on provision of public services in complex ways. When public services are opened up to foreign competition, this may increase provision of services or reduce costs in some areas as the result of greater competition. However, there is a significant risk that private companies will focus on the most profitable parts of services, leaving some women, particularly in rural or isolated areas, without vital services.³²⁴ Where costs of services increase, this can increase the burden of unpaid work on women as they have to fill the gaps left by services they can no longer afford.³²⁵

Commercial protections in FTAs can have significant effects on equality both directly and indirectly. These protections allow corporations to bring complaints directly against states and claim for compensation for a wide range of government actions including environmental and health protections (e.g. plain packaging of cigarettes³²⁶), regulation of finance, or increasing the national minimum wage.³²⁷ These cases can have a chilling effect, undermining the ability of states to pursue legitimate public policy aims – many of which could improve equality, wellbeing or sustainability – for fear of being sued.³²⁸

In a modern economy where '90 per cent of everything'³²⁹ that we use and consume has been internationally traded, the effects of international trade agreements are felt by everyone in society. But the gains and losses of changing trading arrangements can be different for different groups – and it is crucial that these are measured and assessed, and more importantly, that harms are mitigated. The power of trade must be harnessed to improve equality and wellbeing and foster sustainability, instead of resulting in a race to the bottom.

The power of trade must be harnessed to improve equality and wellbeing and foster sustainability, instead of resulting in a race to the bottom.

323 Institute for Fiscal Studies (2017). How might Brexit affect food prices? <http://bit.ly/2AVULcv>

324 Williams, M. (2007). Gender Issues in the Multilateral Trading System, in van Staveren, I., Elson, D., Grown, C. and Çagatay, N. (eds.) *The Feminist Economics of Trade*. London: Routledge, 277-291

325 Gender and Trade Cutting Edge Overview report, Bridge, Brighton 2006 <https://bit.ly/3kE6vX4>

326 On the cases brought through ISDS on plain packaging as part of a wider strategy by tobacco companies see Hawkins, B., Holden C. and Mackinder, S. (2018). A multi-level, multi-jurisdictional strategy: Transnational tobacco companies' attempts to obstruct tobacco packaging restrictions, *Global Public Health*

327 The case involving the minimum wage was *Veolia Propreté v. Arab Republic of Egypt* (ICSID Case No. ARB/12/15).

328 Aisbett et al. (2018). *Rethinking International Investment Governance: Principles for the 21st Century*. Columbia Center on Sustainable Investment. <https://bit.ly/2AbLE9j>

329 George, R. (2013). *90 Percent of Everything: Inside Shipping, the Invisible Industry That Puts Clothes on Your Back, Gas in Your Car, and Food on Your Plate*. New York: Henry Holt

How should things change?

Recommendations to the UK government:³³⁰

- ▶ Ensure that all post-Brexit trade and investment agreements guarantee **no deterioration of environmental, human rights and labour standards** in the UK and our trading partners
- ▶ **Prevent partners in trade and investment agreements being forced** into implementing policies that would threaten equality, wellbeing and sustainability
- ▶ **Exclude investor protection provisions** in their current form from all future UK trade deals, and conduct an independent review of the benefits and drawbacks of such provisions
- ▶ **Ensure the benefits of trade are shared, by assessing the impact** of trade and investment deals on **equality and human rights**, and taking action to support any groups who will be negatively impacted
- ▶ **Exclude public services from trade deals**, in order to maintain national autonomy and to ensure that public services are founded on, and responsive to, local needs, instead of the concerns of global corporations

*The analysis in this section drew on the briefing paper on trade policy, written for the Commission on a Gender-Equal Economy.*³³¹

³³⁰ For more recommendations, see: Stephenson, M.-A., and J. Harrison (2020). Trade and gender. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/3kMWkzk>

³³¹ Ibid.

8. Work to transform the international economic and financial system



What needs to change?

As currently designed, the international economic and financial system prioritises the interests of footloose private investors and speculators, encourages tax avoidance, and builds in a tendency to economic crises. This creates substantial barriers to the creation of caring economies, based on gender equality, wellbeing and sustainability, all over the world, including in the UK. These obstacles are especially strong in countries that endured colonisation and the transatlantic slave trade.

The UK holds a dominant position in the governance of this system: as a member of the G7³³² and the G20,³³³ an influential member of the Executive Boards of the International Monetary Fund (IMF) and World Bank (on which rich countries have more votes than others), and as the creator and lynchpin of a neo-colonial system of tax havens supported by the City of London. Civil society and government bodies in the UK therefore have a particular opportunity, and responsibility, to challenge this system and work towards a new international economic system which fosters the building of caring economies worldwide.

Why is change needed?

The current international economic system is built on rules, norms and institutions which favour privatisation, deregulation, liberalisation, and financialisation (a process in which internationally mobile financial interests come to dominate economies). These policies have had very adverse impacts on equality, wellbeing, and sustainability.³³⁴ Governments that wish to adopt alternative policies risk an outflow of short-term capital and a currency devaluation. Controls on the mobility of capital, which were put in place following World War II, have largely been abandoned – often due to loan conditions and advice from the IMF or World Bank.

This system led to the 2008 financial crisis, originating in Wall Street and the City of London, with knock-on effects throughout the world. Currently, it is leading to an emerging sovereign debt crisis in developing countries. Most developing countries cannot borrow in their own currency and have to borrow in foreign currencies, usually US dollars, and have to do so at higher rates of interest than are paid by rich countries. Since the 2008 financial crisis, debt payments of developing countries have nearly

332 The G7 comprises the leaders of Canada, France, Germany, Italy, Japan, the UK and the US.

333 The G20 comprises finance ministers and central bank governors from 19 countries: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, the Republic of Korea, Mexico, Russia, Saudi Arabia, South Africa, Turkey, the United Kingdom, the United States of America, plus the European Union, which is represented by the President of the European Council and the President of the European Central Bank.

334 Young, B., I. Bakker and D. Elson (2011). *Questioning Financial Governance from a Feminist Perspective*. Routledge.

doubled,³³⁵ while 64 of the poorest countries spent more on debt payments than on health in 2019.³³⁶ The Covid-19 pandemic has intensified this problem. While the governments of some rich countries offered temporary debt relief to developing countries in April 2020, private creditors did not follow suit.³³⁷ Governments in many developing countries face potential multi-billion dollar lawsuits from these creditors, many of which would take place in London, because 90% of the debt contracts owed by the poorest countries fall under English law.³³⁸

Tax evasion and avoidance is built into the international system. Multinational companies are able to 'shift profits' to low-tax jurisdictions, which has been estimated to cost all governments collectively upwards of \$500bn per year. In addition, all governments collectively lose tax revenues worth an estimated \$189bn a year via hidden private offshore wealth.³³⁹ These practices of tax evasion and avoidance, widely seen as morally repugnant (see Box 27), even further reduce public resources available for the investments critical to the creation of a caring economy.

Box 27: Tax avoidance is worse than cheating on your partner³⁴⁰

In April 2020, Tax Justice UK found that 84% of the UK public thought that companies avoiding tax, even if technically legal, was morally wrong, and 80% thought it was wrong for individuals. Interestingly, this seems to generate more of a consensus than other dubious choices: in a similar BBC poll³⁴¹ on moral beliefs, only 72% of the UK public thought it was morally wrong to cheat on your partner, and 78% thought it was morally wrong to take illegal drugs. It was hard to find a single issue which the UK public were more morally appalled by than tax avoidance.

In addition, development aid, in its current form, has many shortcomings. Overseas Development Assistance is often used as an instrument of national and corporate interests: coming with strings attached, requiring governments to change laws, policies and regulations to attract private investors, offering guarantees, and mandating public-private partnerships whereby private investors take any profits, but the public sector, and ultimately the citizens of a country, bear any losses. It is important to reform aid so that it serves the people of developing countries and is fully aligned to the internationally agreed Sustainable Development Goals. This is particularly important given that the Department for International Development has now been merged with the Foreign and Commonwealth Office in the UK.

335 Eurodad (2020). Out of service: How public services and human rights are being threatened by the growing debt crisis. <https://www.eurodad.org/outofservice> p. 4

336 Jubilee Debt Campaign (2020). Sixty-four countries spend more on debt payments than health, 12 April. <https://bit.ly/3mPt9O3>

337 The Guardian (2020). \$11.3bn in IMF Covid-19 money is being used to service debt, says group. 16 July. <https://bit.ly/3i250jB>

338 Jubilee Debt Campaign (2020). The UK's role in supporting the G20 debt suspension, 4 May. <https://bit.ly/3mQHutK>

339 Tax Justice Network (2017). Tax avoidance and evasion – The scale of the problem. <https://bit.ly/308W2uK>

340 Church Action for Tax Justice (2020). More people think cheating on your taxes is wrong than cheating on your partner! <https://bit.ly/3mJMG2i>

341 BBC (2019). What does the UK think is right and wrong? The BBC reveals a snapshot of morality in 2019. 21 November. <https://bbc.in/2Hm0Ep4>

How should things change?

Recommendations to the UK government:

Among the many suggestions³⁴² for international action that would reduce the barriers to equality, wellbeing and sustainability, the UK government should prioritise the following three changes, which have been championed by civil society, including prominent Southern feminist thinkers and women's rights organisations:

- ▶ Support the UN General Assembly (where each country has one vote) organising under its auspices an **International Economic Reconstruction and Systemic Reform Summit**, to promote global transformation in light of the crises triggered by the Covid-19 pandemic³⁴³
- ▶ Support the **establishment of an intergovernmental UN tax body**, that operates on the basis of equal participation of all countries to break through the current lack of substantial progress on global tax evasion and avoidance³⁴⁴
- ▶ Support the basic principles for a **sovereign debt restructuring process, agreed upon in 2015**. This ensures that a country can restructure its entire debt stock in one place in a procedure that involves all creditors, but in ways that are in line with international human rights law (including CEDAW) and other international commitments, and critically, independently from creditors³⁴⁵

As well as supporting these international initiatives, the UK government should:

- ▶ Ensure that all UK **Overseas Development Assistance supports achievement of gender equality, wellbeing and sustainability in recipient countries**
- ▶ Pass a law similar to the 2010 Debt Relief Act to **prevent private creditors from suing countries in English courts for non-payment of debt** due to the Covid-19 crisis³⁴⁶
- ▶ **Establish public registers of companies and trusts** in all overseas territories and Crown dependencies and facilitate independent, participatory assessments of the impact of UK financial secrecy and corporate tax policies on the rights of women, as recommended by the CEDAW Committee³⁴⁷

UK-based feminist economists, advocates and activists, working in solidarity with women's groups and feminist thinkers in the global South, are uniquely positioned to advance these recommendations, because in 2021 the UK will hold the presidency of the G7, when discussion of global economic recovery from Covid-19 is highly likely to

342 UNCTAD (2019), Trade and Development Report 2019: Financing a Global Green New Deal. <https://bit.ly/2G1mQpX>

343 Women's Working Group on FfD and Civil Society FfD Group (2020). Time for a UN Economic Reconstruction and Systemic Reform Summit. <https://bit.ly/3068pb4>

344 Global Alliance for Tax Justice (2016). The world needs a United Nations Global Tax Body now. 18 April. <https://bit.ly/364t7fi>

345 M. Perera (2020). Eurodad reacts to UN calls for a global mechanism for sovereign debt restructurings. Eurodad. <https://bit.ly/33YHK16>

346 Jubilee Debt Campaign (2020). G20 debt suspension request: 90% of bonds governed by English law. 4 May. <https://bit.ly/2EuzQUj>

347 CEDAW Committee, Concluding observations on the eighth periodic report of the UK, March 2019. <https://bit.ly/33UPAJ7>

take place. It is a key moment to urge transformation to create a caring, in place of an exploitative, international economic system.

*The analysis in this section drew on the briefing paper on the global financial system, written for the Commission on a Gender-Equal Economy.*³⁴⁸

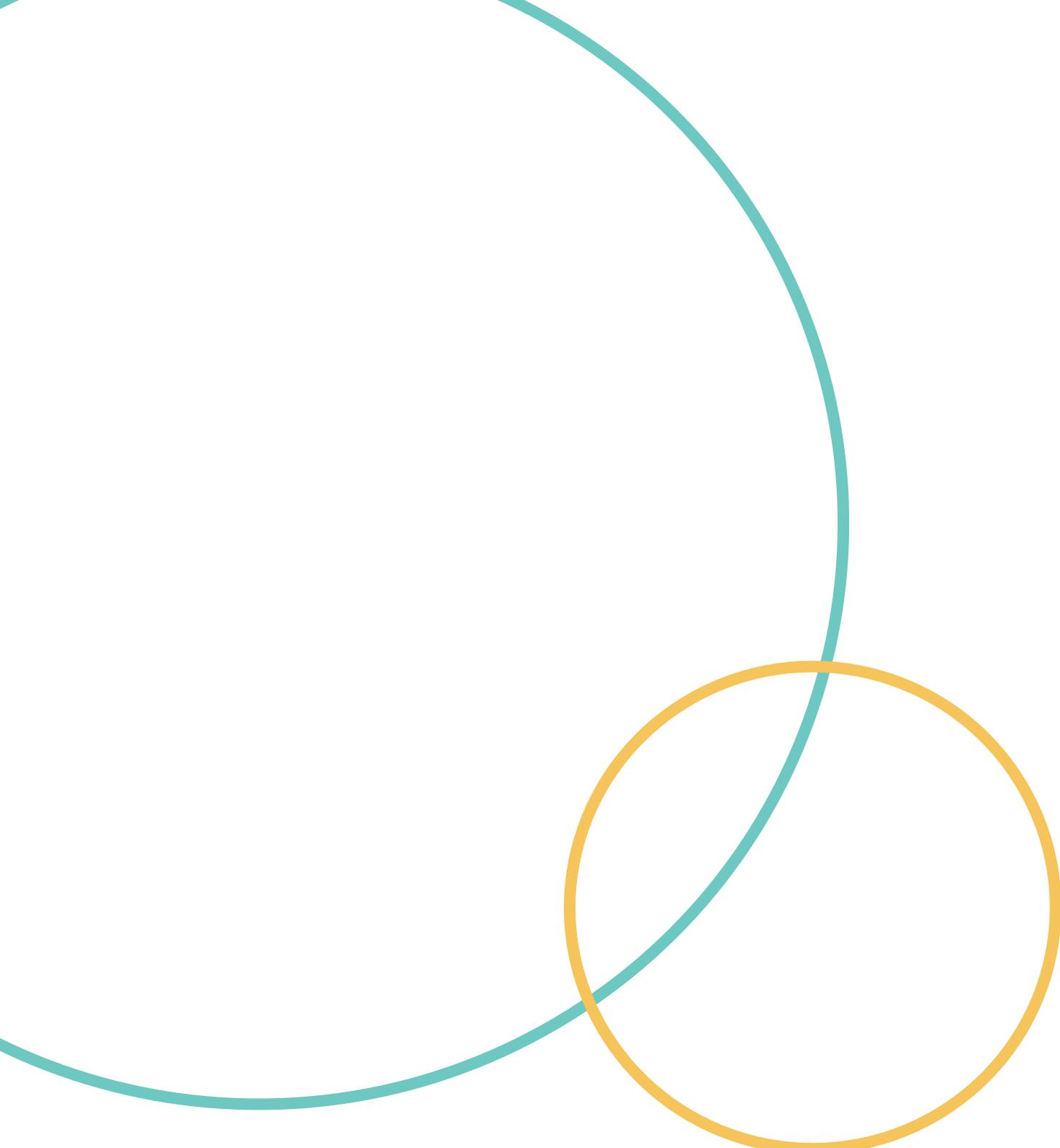
³⁴⁸ Hopkins, E. and Bürgisser, E. (2020). Rethinking the global financial system for gender-equal economies. Briefing paper for the Commission on a Gender-Equal Economy. <https://bit.ly/331nXio>

Conclusion

This report was published as the UK was facing the second wave of the Covid-19 pandemic. Not surprisingly, many of us are focusing on the immediate health crisis and fears of a significant recession to come. But just as plans for the welfare state were developed during the darkest days of the Second World War, so we need to be thinking now about what economy we need to build as we emerge from the pandemic. Before the current pandemic hit, a recentring of the economy around gender equality, wellbeing and sustainability was already long overdue. But now, we find ourselves truly at a turning point. We know that the UK and its constituent countries can come out the other side of the current crisis with a stronger, better, more equal, more dynamic, caring economy. And there is strong public support for this: it has never been clearer that **people do not want a return to business as usual.**

This report has demonstrated how we create a caring economy which puts people and planet at its centre. Spanning local to global, paid work to social security, unpaid work to taxation, and digging into the depths of how our economy is structured, this report indicates some of the key changes required to create a caring economy. It is a call to action to make this a reality.





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