

WOMEN'S COST-OF-LIVING CRISIS

Minutes



Date	Monday 31 st of October, 2022
Time	17:00 – 18:00
Venue	Portcullis House, Room M and Zoom
Chairs	Flick Drummond , Co-Chair of the Women and Work APPG and MP for Meon Valley
Speakers	Kate Osamor MP , Labour MP for Edmonton Jess Cook , Project Development Manager at National Energy Action Professor Clare Kelliher , Cranfield School of Management Dr Charlotte Gascoigne , Cranfield School of Management Claire Reindorp , Chief Executive Officer of the Young Women's Trust
Theme/ Background information	<p>As energy costs rise and the real wage plummets to its lowest level since comparable records began, many British households are having to work longer hours for a lower real wage. With women being more vulnerable to economic downturn, considering the industries they work in and the pressures of childcare, does the cost-of-living crisis stand to increase gender inequality?</p> <p>This session seeks to study how women are likely be impacted disproportionately, what the long-term consequences of this could be and what economic support is best suited to women. It will also probe how best to protect women against market fluctuations in the long term, and equip them with the tools needed to withstand recessions as comfortably as their male counterparts.</p>

NON-VERBATIM MINUTES

Flick Drummond MP: Flick acknowledged that this is an extremely important discussion to have, and so promptly handed the discussion over to the speakers.

Kate Osamor MP: Kate clarified that she would focus on the experiences of her constituents in Edmonton. She explained that while many see Edmonton as one of the central London constituencies, in fact it can be quite similar to rural areas. Therefore, it lacks many employers, and contains lots of brownfield sites. The average salary for the area is £25-35,000 per year. North London is associated with rich people; there are some rich, but Kate stated that there is also a large working-class population. Her constituents are finding life very difficult due to years of investment being cut, falling wages and poor housing stock. It is now facing years of austerity. She went on that childcare is a common complaint from constituents, and that the state of childcare in the UK is indefensible. Britain's childcare is the second most expensive in the world, and this

prevents women from working. When women do work, they see a huge percentage of wages going on childcare. She compared Britain to Sweden, which has a guarantee that parents don't spend over 3% of their income on childcare. Also, rents have risen by 18% since the pandemic in her constituency, with energy bills rising despite the price cap. 42% of her constituent families are reliant on Universal Credit. She pointed to significant numbers of working women in Edmonton, of whom 66% live in families with children. Kate stated that these women can't afford more cuts, and that they often bear the brunt of austerity. She pointed to the experiences of migrant women, as increasing numbers of migrant women are being excluded from welfare. Her Bulgarian constituents see their benefits cancelled for months due to accusations of fraud, during which time they struggle to pay rent and feed their children. There is never fraud committed, and many then get their benefits reinstated. Many failed their residency test, which some then appeal successfully. Kate argued that the main path to rectifying these issues, from her experience working in a GP surgery, is from working with unions. Unions may have some issues, particularly the overwhelming number of men at the top of them, but they are at forefront of promoting equality. Policy solutions will only do so much if women are not seen and heard from the ground. From the picket line of the CWU union, Kate met amazing women standing up for their living standards. She predicted that we are likely to see many more strikes in the future, with huge numbers of women involved due to their higher likelihood of working in universities and in healthcare. Kate finished by saying that if we want to defend women, we must defend their struggles.

Flick: Flick thanked Kate for her speech, and said that it provided lots to think about, especially on taxes in Sweden. She then handed over to Jess Cook from National Energy Action.

Jess Cook, Project Development Manager at National Energy Action (NEA): Jess begun by introducing herself and explaining that she leads the fuel and water poverty programmes at NEA, which is a fuel efficiency charity. She then discussed the government support available to women, particularly the Energy Price Guarantee which has been ruled back to 6 months pending further review. Previously, this had given people 2 years of security; it no longer does. Many felt that the EPG sits at a limit of what they can afford already. Families typically use more energy. Jess explained that NEA now think the typical bill sits at £3400. She argued that we need to offer more targeted support, especially to women. Women are more likely to experience poverty, and they are more likely to be the ones considering how to save. They are also more likely to be affected by caring responsibilities. Women form the majority of those with high energy needs, particularly older and disabled people. Furthermore, lone parent households are particularly vulnerable, and almost 96% of these are led by women. Parents living in fuel poverty are more likely to experience depression. They deal with fuel insecurity and hardship, facing stress, and it effects how they interact with their children. Jess pointed to polling by NEA on school uniforms, which found that 40% of families are now considering using friends' and families' washing machines to wash their children's uniforms. Meanwhile, 31% of the male workforce work in industries that stand to benefit from the crisis, compared with 11% of the female workforce. Jess argued that the government needs to boost incomes through increasing Universal Credit, and should consider introducing new tariffs, and accelerating plans for social tariffs on water. It should look at investment in domestic

energy production and consider how people use energy at home. Jess finished by suggesting that the Healthy Start scheme could be extended.

Flick: Flick thanked Jess and handed over to Professor Clare Kelliher and Dr Charlotte Gascoigne from the Cranfield School of Management.

Professor Clare Kelliher, the Cranfield School of Management: Clare began by focusing on the relationship between work and the crisis, particularly part time work. She explained that herself and Charlotte are approaching the end of a project on part time work, with a focus on employer thinking on part time work. She argued that part time working is a significant issue in the UK, with a quarter of people working part time. Of women who work, over one third work part time. Just under three-quarters of part time workers are women. Part time work is broad term, covering a spectrum of people ranging from those who work a few hours a week to almost full time. The research focused on one intervention: furlough, specifically part time furlough. The researcher wanted to assess if the scheme had influenced employer thinking. The cost-of-living crisis has seen some turn away from part time work, as it is insufficient to cover their costs, while others turn towards it to increase their workload and income. Clare then handed over to Charlotte to share the research findings.

Dr Charlotte Gascoigne, the Cranfield School of Management: Charlotte explained that their surveying was done with employers, not employees, because it is already clear that the demand for the work is there from employees. Workers can only choose this if the work is available at the right skills level, and therefore employers have a big role to play. One issue is that line managers don't always know how to divide up work. So, if the demand is to be met, working practices need to be redesigned. The Cranfield researchers carried out 35 interviews, as well as other interviews with CBI. They found that 40% of respondents said that part time working had helped design work more effectively. Organising cover for absences became a part of managers' toolkit. They used multiskilling and discussed providing back-ups to adapt to flexible workers. 42% of respondents said that flexible working had made line managers more open to part time working. Previously, line managers had assumed that flexible working would be logistically difficult; furlough forced them to attempt it and as a result, employers have developed management capability. Charlotte ended by arguing that this capability needs to be harnessed.

Flick: Flick asked which companies had been surveyed.

Charlotte: Charlotte replied that as the key criterion was that they had used the furlough scheme; this gave some focus to manufacturing and hospitality.

Flick: Flick then handed over to Claire.

Claire Reindorp, Chief Executive Officer of the Young Women's Trust: Claire began by introducing the Young Women's Trust (YWT), which champions women aged 18-30 and has produced a report on the cost-of-living crisis. For this report they surveyed 4000 young women, as well as 900 HR professionals. They found that young women have been hit hard by the crisis and are more likely to struggle with costs. Over half of young women said that they were filled with dread when thinking about their finances, while almost a quarter are already unable to afford vital supplies. Young mums were

particularly effected, with 58% of single mums sometimes going hungry to feed their kids. Young women of colour suffer worse financial circumstances. The YWT found a rise of 20% of women putting off having children due to rising costs. Women are generally more vulnerable due to lower income, with many feeling stuck, using their energies to get by, sitting in the dark. Their problems are getting worse. Women are struggling to earn their way out of the crisis, as 24% have direct experience of being paid less than male colleagues for doing the same or similar work. A tenth of HR decision makers knew that women in their organisations were being paid less than men for same jobs, and there was clear evidence that employers are breaking the law on providing a minimum wage. Claire argued that young women need benefits to rise line with inflation, and the living wage needs to be extended to those younger than 23. Women also need help getting into the workplace, and challenging sexist attitudes in workplace. Claire also pointed to affordable, flexible childcare as a solution.

Flick: Flick responded by saying it is a particularly dismal situation.

Claire: Claire pointed out that the hourly gender pay gap grows throughout women's lives.

Flick: Flick begun the discussion, starting with Kate, and her comparison of Britain with Sweden. She asked that since in Sweden, income tax is far higher, is this what we should be looking at?

Kate: Kate suggested that it is absolutely worth considering.

Claire: Claire followed up by pointing out that Britain has the second most expensive childcare in the world. If we want growth in the economy, we need to rectify this.

Flick: Flick then reflected on the experiences of her own children, who have been forced to pay huge amounts for childcare. She argued that this is an issue that affects all of society and needs further discussion.

Kate: Kate agreed that it effects all of us. Once you get grandchildren, you become part of the childcare. Even if that wasn't the plan.

Jess: Jess explained that she has two children, 6 and 8. Her mother was still in full time work, and so Jess had no choice but to reduce her hours to care for her children. Working 4 days a week, she was left with £100 a month after paying for childcare.

Kate: Kate argued that many women work part time because it's the only option for them. Also, many women don't know how to bargain for better pay, so the sooner we change the culture the better. We need to consider how we empower women to understand their worth.

Flick: Flick added that we need to teach them to bargain.

Charlotte: Charlotte added that we need employers to redesign work, not just for women but for anyone with life circumstances that need accommodating. One quarter of the working population works part time; they are not a small minority. She argued that full time work is a very gendered construct; it only works when women do all the other work.

Flick: Flick added that caring responsibilities are vitally important.

Claire: Claire added that the gender pay gap data focuses on full time work. Statistics suggest that women are not less likely to ask for a pay rise, they are less likely to have it accepted.

Flick: Flick described her friend who was senior lawyer. She told the women who worked for her to go and ask for a pay rise.

Audience question: Pointed out that this discussion is apt following the March of the Mummies.

Flick: She added that all of this discussion is going into our report, which we will then try and turn into policy.

Audience question: How can we continue to combat period poverty? Now, only period pants are taxed, and we now don't know where these taxes are going.

Flick: Flick speculated that because period pants are new, they are classed under clothing, and so they are taxed; we can lobby on this.

Julianne Miles, Women Returners: Julianne introduced a survey by Women Returners, which found that 75% of respondents were under pressure to get back into the workforce due to the cost-of-living crisis. Their network is made up of people with professional experience, with skills to contribute. Many of the people they work with struggle to get back into the workforce, and then suffer a huge career break penalty. When recruitment falls, diversity hiring also reduces, so risky hires can't get back in.

Flick: Flick commented that despite this, we still have a massive number of jobs that needs to be filled.

Julianne: Julianne stated that it needs to be the right jobs on offer, and that the job market shows signs of slowing down. Employers are losing confidence, but demand for these jobs isn't falling.

Nicki Pound, TUC: Nicki returned to the YWT's shocking statistics about equal pay and minimum wage enforcement. Employers need mandatory action plans on reducing the gap. Also, it is worth considering the gender pension gap, which currently sits at 38%. Although the pay gap doesn't give full picture, we need to shift towards employers not just reporting their organisation's pay gap but also promising to tackle it, as well as extending the monitoring to disability and race.

Claire: Claire elaborated that from chatting to HR decision makers, the YWT found that 31% felt that their organisation was not attempting to close the gender pay gap, while 23% didn't feel their organisation took reporting it seriously.

Flick: Flick then brought the conversation back to Cranfield, asking if employers continued with employing part-time workers?

Charlotte: Charlotte said that the capability is being developed. Line managers can use it as a tool in the future in response to workers' requests and labour shortages. They can use part time working when they can't hire full time workers. Employers said in interviews with Cranfield that they hadn't considered advertising for part time work.

Clare: Clare added that they want to share the learning that took place, beyond those organisations that took place in the flexible working furlough. Their aim is to encourage employers to be innovative with employment practice.

Flick: Flick then asked how we can spread this information around.

Charlotte: Charlotte explained that the interviewees wanted more information and guidance, but also that the four-day week trial going on that has created considerable interest. If we could set up similar part time trials that could make a difference.

Claire: Claire then drew the session's attention to the charity Working Families, which has just produced a relevant factsheet.

Flick: Flick argued that the push for greater part-time work availability should be coming employers, not from the government.

Jess: Jess argued that we would also have to look beyond flexible working for helping working women. She described how her friend is a full-time carer and single parent, on a zero-hour contract. She has seen her costs massively increase, with no guaranteed income to pay for it. She is now considering changing jobs to find something with superior benefits, such as working in a supermarket to get a discount on food. Jess stated that people aren't making heating-or-eating decisions, because they can't afford either. Part time will work for some, but others need the security of a full-time contract.

Flick: Flick then also mentioned the impact on pensions, because people don't have the spare income to put into their pensions.

Peter Bottomley MP: Peter said that he has benefitted from flexible working, as he has two staff members on flexible hours. He continued that in the civil service, you need to have worked a set number of hours to get promoted, which often prevents women from advancing. He explained that child benefit was an issue that brought him into public service, because originally child benefit didn't apply to family's first child, who is normally the most expensive. He was motivated to enter politics to fix this.

Flick: Flick ended the session by thanking the speakers and asking attendees to send over any relevant research or materials for the Women and Work APPG annual report.