

HOW THE CON-DEM CUTS ARE LIKELY TO AFFECT YOU!

INTRODUCTION

27.01.11

The Equality Act 2010 (S.149) imposes a general duty on certain public authorities and others that exercise public functions, amongst other things, to assess the impact of its policies and practices and the likely impact of its proposed policies and practices.

The Act says that “A public authority must, in the exercise of its functions, have due regard to the need to:

- **(a) Eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act.**
- **(b) Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it.**
- **(c) Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.**

Under the Equality Legislation quoted above, the Government is duty bound to assess whether its policies will have any disproportionate impact on the protected strands covered in the 2010 Equality Act. The protected strands include: gender, race, disability for example.

In June 2010 the Conservative-Liberal Democratic Government (Con-Dem) set out its budget to reduce the UK deficit. Critics of the budget argue the Con-Dem did not carry out an impact assessment, because it was perceived some of the drastic cuts within the budget were unfair and will disproportionately impact on certain protected groups. As a result of some high profile challenge¹ and negative publicity, the Government published its Comprehensive Spending Review (CSR) in October 2010; an impact assessment of its spending decisions.

¹ By the Fawcett Society seeking a judicial review of the budget

The full implications of the cuts have still to be assessed; nevertheless many believe the Con-Dem is rolling back the 13 years of advances in equality made under a Labour Government. Later in April (2011), the Government Equalities Department will come under the auspices of the Home Office and will no longer be a stand alone Department.

In addition, as the CWU we had a direct line of communication with the Minister for Women and Equalities, Harriet Harman and her staff. That level of interaction is no longer available.

Such is the magnitude of the cuts that when they were announced in the June 2010 budget, the Equality and Human Rights Commission (EHRC) wrote to all government departments, including the Treasury asking for reassurance they would comply with equality legislation.

Many protected groups are to be convinced they are not being targeted in the cuts. Because of their anger protected groups have been vociferous in highlighting what they consider to be unjust and disproportionate cuts. Women, disabled persons, LGBT communities and black people believe the budgetary cuts put them at an unfair disadvantage compared to the general population.

ARE YOU AFFECTED?

The EHRC the only body responsible for enforcing Equality Impact Assessment (EIA) budget is due to be reduced under the proposed budgetary cuts.² It will now make it harder for the EHRC to carry out its work, thus constraining its ability to be effective.

1 IF YOU ARE A WOMAN it's likely you are: a carer; on low income; earn less than a male; work part time; a single parent; work in the public sector; a service user; see your pension age increase and rely on benefits.³ And it may be you are already experiencing some of the damage being done by the Con-Dem in their proposed budget cuts.

- 65% of women work in the public sector which will be hard hit by the impending budget cuts.⁴
- Research by the Chartered Institute of Personnel and Development has shown that four in ten public sector employers have already made redundancies.
- The GMB reported the announcement of 50,000 job cuts in 43 councils. Information from the Recruitment and Employment Confederation shows at least 12,000 temporary jobs were cut in the three months prior to the CSR.
- The Labour Market Statistics, Statistical Bulletin, December 2010 showed that the number of people employed in the public sector was 6.01 million in September, **down 33,000 from June 2010**. The unemployment rate for women was more than twice that of men over the last quarter.⁵

² "Human Rights Watchdog, the EHRC faces 15% budget cut", Guardian online, 10th June 2010

³ The list is not exhaustive

⁴ "Cut to the bone", Words of Colour Creative Art Director, OBV, September/October 2010

⁵ Statistical Bulletin, Labour Market Statistics, December 2010", ONS

- Services which women depend on heavily, including some nurseries in Higher Education (HE) and Further Education (FE) institutions, after school clubs and libraries are facing closure.
- The Government wants to cut £18b from social security and welfare and its women who will be hit the hardest according to an analysis of the June budget by the House of Commons Library.⁶ Women will pay roughly 72% of the net cost of the changes in taxes, benefits and tax credits set out in the budget.⁷
- The equalisation of the pension age is at a faster rate for women than it is for men and consequently it is feared women will lose more from the changes than men.⁸
- Older women face at least two possible barriers to gaining employment: their age and their sex.
- Some specific cuts to families and children, which will hit women hard are:
 - The abolition of the Health in Pregnancy Grant
 - A three-year freeze in the value of Child Benefit, in addition to the withdrawal of Child Benefit from women living households where one adult is a higher rate taxpayer
 - Abolition of the Baby Element of Tax Credits (worth a maximum of £545 to eligible parents) and a reversal of previous Government's commitment to introduce a Toddler Tax Credit (worth a maximum of £208 for eligible families)
 - A cut in the Working Tax Credit from 80% to 70% (childcare costs element)
 - A three year freeze in the value of Working Tax Credit
 - Significant cuts to Housing Benefit
 - A cap on the total amount of out of work benefit
 - Caps on housing benefits, increased rents for social housing
 - Public sector pay freezes and job cuts
 - Reduced funding for charities, where a high percentage of women work.

In many respects the Con-Dem budget is counter-productive e.g. couples having to work 24 hours between them before they qualify for Working Tax Credit. If they are unable to increase their hours they may find they can no longer afford to work; the very opposite of getting people off benefits and back into work.

⁶ "The Gender Impact of the Cuts", TUC November 2010

⁷ ibid

⁸ UK Women's Budget Group, November 2010

2 DISABLED PEOPLE are vulnerable to cuts in services and benefits because they depend more heavily than others on: carers, health/social care, housing; transport services and welfare for example. In addition, as a group they have the lowest levels of employment, additional costs as a result of living with an impairment, more likely to live in poverty and/or rely on benefits for a large proportion of their incomes.⁹ These are some of the areas in which the Government aim to reduce spending.

The magnitude of the proposed cuts and its effect on disabled people are worrying for the following reasons:

- The Government believes cutting benefits will inevitably incentivise work.¹⁰ It does not take account of the complex needs of disabled persons and their carers. The lack of robust analyses to take account of a disabled persons' ability, inability or the ability to work with personalised support has to be criticised. Any cuts in benefits therefore will undermine their quality of life.
- The Disability Living Allowance, the only benefit which compensates for the additional costs of living with a disability and is non-means tested is misrepresented as an out of work benefit. Consequently, it is subject to the same cuts as other benefits to 'incentivise work'. It ignores the likelihood of increased disability poverty.
- The Con-Dem Government focus on the "medical aspect of disability to the detriment of the social model"¹¹ – that is failing to recognise that both the social and medical aspects work together. It is feasible to argue therefore that the Con-Dem Government is 'exclusively' using the medical aspect test to assess eligibility for incapacity and other disability benefits as a means of calculating additional living costs.
- The "big society" portrayed by the Con-Dem is primarily based on a person's economic contribution to society. Finding employment during an economic crisis is difficult. It is made more difficult when the person seeking employment has an impairment that does not fit in with this "big society". Therefore disabled people are not necessarily part of the success story of the big society where employment is seen as the only successful outcome for welfare to work providers to achieve.
- Incentives to get people back into work seldom help those most in need such as the disabled. It creates a climate of employing those easiest to accommodate ignoring those unable to engage in formal employment but who can contribute to society in other ways, e.g. volunteering and building social capital.
- The Con-Dem Government has much to prove. People's capabilities differ. The distance travelled towards employability has to be recognised, not least by those disabled men and women who through courage and fortitude continue to remain positive under difficult challenges.

⁹ "Destination Unknown", DEMOS, October 2010 BY Claudia Wood, Eugene Grant

¹⁰ ibid

¹¹ "Destination Unknown", Demos 2010 by Claudia Wood & Eugene Grant

3 LESBIAN, GAY, BISEXUAL AND TRANSGENDER PEOPLE depend on specialist services to provide what would otherwise not be available according to anecdotal evidence. Unlike other anti-discrimination protected areas, LGBT people are more reluctant to ‘come out’. Because robust statistics on the UK LGBT community is sparse, it is difficult to state with any certainty how the Con-Dem cuts is likely to affect this group.

However, the “Say No! to London Councils’ Cuts”, an alliance of many LGBT organisations believe the following services are under threat:¹²

- Homelessness advice
- Youth homelessness prevention
- Homophobic and transphobic hate crime prevention and support to victims
- Domestic abuse services
- Anti-homophobic bullying work in schools
- Support to under 18s at risk of sexual exploitation
- Support of LGBT organisations themselves to help them to do the best job possible.

4 IF YOU ARE FROM THE BLACK AND ETHNIC MINORITY COMMUNITY (BEM) robust statistics on the cuts proposed by the Con-Dem will be difficult to obtain. However because you are predominantly employed in the public sector and the voluntary sector where the ‘big cuts’ are taking place you are likely to be hit the hardest.

- Only 55% of working age has a job in comparison to 76% of the white population of working age.¹³ As a black person your unemployment rate rose by 13% since March 2008 compared with 8% for white people and 6% for Asians.¹⁴
- Ethnic groups continue to have the biggest increase in unemployment, especially those without any qualifications during times of recession.¹⁵
- Almost half of black people aged between 16 and 24 are unemployed, compared with 20% of white people of the same age.¹⁶ The psychological impact of unemployment on young black people is enormous: issues around stress, depression, self-worthlessness, mental health problems and crime for example. For a large proportion of young black people, unemployment results in a ‘lost generation’.
- 22% of black male graduates and 13% of black female graduates are unemployed.¹⁷

¹² “Say No! to London Councils’ cuts: The perspective from London’s lesbian, gay, bisexual and transgender (LGBT) communities”, LSVC, September 2010

¹³ “Black to the Future”, PCS, 20th September 2010

¹⁴ Institute for Public Policy Research” and quoted in an article “Half of young black people unemployed”, by BBC News Channel online 20th January 2010

¹⁵ ibid

¹⁶ Institute for Public Policy Research and quoted in an article “Half of young black people unemployed”, by BBC News Channel online 20th January 2010

¹⁷ ibid

2011 has been designated the International Year for People of African Descent by the United Nations. Already, under the UK Con-Dem government cuts are starting to bite because services which serve BEM communities are being withdrawn. Now is the time for all BEMs to move beyond racial disadvantage and focus on developing action plans aimed at:¹⁸

- Stemming job cuts
- Increasing employment
- Fighting privatisation of public services
- Reducing real waste
- Becoming greener
- Making politicians accountable for their actions
- Ensuring a robust equality audit is carried out by public bodies.

This document is fully endorsed by:



Linda Roy
National Equality Officer



Billy Hayes
General Secretary



Tony Kearns
Senior Deputy General Secretary

27th January 2011

¹⁸ List is not exhaustive

