

# Scottish Women's Budget Group and Poverty Alliance response to the Women and Equalities Committee into the impact of the Cost of Living on Women

**November 2023**

## Introduction

We welcome the Committee's inquiry into the effect of the cost of living crisis on women. Poverty is gendered with women more likely to experience poverty compared to men at all points in their life. Women still tend to have more responsibility for unpaid work including childcare, care for older or disabled people, and domestic work. For many women, this can limit the time they have for paid work, education and training which entrenches gender inequality. Women are more likely to be reliant on social security and are thus disproportionately impacted by reductions in benefit rates or changes to the system. As a result of pre-existing inequalities, the on-going cost of living crisis is having a disproportionate impact on women with the potential to further entrench gender inequality.

Our response below is based on:

- Joint research by the Scottish Women's Budget Group (SWBG) and the Poverty Alliance (PA) who conducted qualitative research with women living on a low income in Scotland. This research involved interviews as well as participants providing diary entries detailing the impact of the cost of living crisis from the months of August to October 2022.<sup>1</sup>
- SWBG's Women's Survey 2023. This survey was conducted between February – March 2023 and asked 871 women questions about the cost of living.<sup>2</sup>
- SWBG's Women's Survey 2023 – Rural Briefing. Due to the higher cost of living in rural Scotland, SWBG collated responses from women in rural and remote areas from the above Women's Survey 2023. 283 of 871 women lived rurally.<sup>3</sup>
- Research by PA, Fraser of Allander Institute and the Institute on Inspiring Children's Futures on in-work poverty in the hospitality sector in Scotland.<sup>4</sup>

## 1. How are rising food, energy, housing, and other costs affecting women compared to men? What are the challenges for women:

- in different types of households For example, households with children; single parents; renters; homeowners; women with other protected characteristics) and
- whether there is any regional disparity in the effects of those costs?

Women are more likely to experience poverty compared to men, in large part due to the fact women account for the majority of single parents and are concentrated in low paid, insecure work. Women are also more likely to be 'poverty managers' in the home, where the burden

<sup>1</sup> Poverty Alliance and Scottish Women's Budget Group (2022) *Its Hard Work Being Poor*. Available at: <https://www.povertyalliance.org/its-hard-work-being-poor-womens-experiences-of-the-cost-of-living-crisis-in-scotland/>

<sup>2</sup> Scottish Women's Budget Group (2023) *Women's Survey 2023 – Experiences of rising costs in Scotland*. Available at: [SWBG-Cost-of-Living-report-proof-06.pdf](https://www.swbg.org.uk/wp-content/uploads/2023/06/SWBG-Cost-of-Living-report-proof-06.pdf)

<sup>3</sup> Scottish Women's Budget Group (2023). *Women's Survey 2023 – Rural Briefing*. Available at: [1691675193 Womens-Survey-2023-Rural-Briefing.pdf \(swbg.org.uk\)](https://www.swbg.org.uk/wp-content/uploads/2023/06/1691675193-Womens-Survey-2023-Rural-Briefing.pdf)

<sup>4</sup> A range of outputs have been published from the Serving the Future project available at: <https://www.servingthefuture.scot/outputs>

of managing limited incomes falls on women. For this reason, the on-going cost of living crisis continues to impact women acutely. Compounding this, existing structural issues such as the 'pink tax'<sup>5</sup> are continuing to worsen women's poverty, amplified by inflation. Data from ONS found that through 2022, the cost of items aimed at women (such as period products) have increased substantially through the cost of living crisis<sup>6</sup> and items such as clothing had increased more for variants aimed at women compared to those aimed at men.<sup>7</sup>

### **Other types of households**

The Scottish Government committed to reducing child poverty and releases annual data demonstrating how 'priority groups' are more vulnerable to poverty compared to others. These groups are: single mothers, households with a mother under 25, households with a child under 1, Black and minority ethnic households, households with 3+ children and households with a disabled person.<sup>8</sup>

#### **Single parents**

Women account for the vast majority (92%) of single parents in Scotland. 38% of children from single parent households live in the grip of poverty in Scotland compared to 21% of the general population. One Parent Families Scotland reported that 97.9% of participants in their research were feeling the impact of rising costs either significantly or to some extent<sup>9</sup>. SWBG found that 23% of single parents were using food banks<sup>10</sup>. This is having consequences both on poverty rates and on health with 86% of women identifying the cost-of-living crisis as a key factor impacting their mental health.<sup>11</sup>

Research by Poverty Alliance and Fife Gingerbread also shows the consequences of long-term issues in the Child Maintenance System on single parents during the cost of living crisis. Single parent households, most of whom are women, reported that Child Maintenance payments are being used for a variety of household costs particularly food, clothing and energy. Concerns highlighted included the adequacy and sustainability of existing Child Maintenance payments and risks of payments becoming reduced in this context by paying parents as their living costs rose.<sup>12</sup> As detailed in our recommendations, calculations made through the Child Maintenance service must be urgently reformed to be underpinned with a focus on income adequacy for receiving parents and for parents who cannot receive Child Maintenance, an alternative service should be made available.

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<sup>5</sup> Bhargava, R. Tara, R. (2022) *Pink Tax: The gender bias in product recommendations and corporate social responsibility*. London School of Economics. Available at: <https://blogs.lse.ac.uk/humanrights/2022/04/29/pink-tax-the-gender-bias-in-product-recommendations-and-corporate-social-responsibility/>

<sup>6</sup> Wood, Z. (2023) *Concerns over price rises for period products despite removal of tampon tax*. Available at: <https://www.theguardian.com/politics/2023/may/21/treasury-analysing-whether-removal-of-tampon-tax-has-lowered-prices>

<sup>7</sup> Ferber, A. Swindells, K. and van der Merwe, B. (2022) *How inflation is worse for women*. Available at: <https://www.newstatesman.com/business/economics/2022/08/uk-inflation-rate-higher-for-women>

<sup>8</sup> Scottish Government (2023) 'Tackling child poverty priority families overview'. Available at: [Tackling child poverty priority families overview - gov.scot \(www.gov.scot\)](https://www.gov.scot/publications/tackling-child-poverty-priority-families-overview/pages/1-1-overview.aspx)

<sup>9</sup> One Parent Families Scotland (2022) *Living without a lifeline. Single parenting and the cost of living crisis*. Available at: <https://opfs.org.uk/policy-and-campaigns/policy-research/living-without-a-lifeline/>

<sup>10</sup> Scottish Women's Budget Group (2023) *Women's Survey 2023 – Experiences of rising costs in Scotland*. Available at: [SWBG-Cost-of-Living-report-proof-06.pdf](https://www.swbg.org.uk/wp-content/uploads/2023/06/SWBG-Cost-of-Living-report-proof-06.pdf)

<sup>11</sup> *ibid*

<sup>12</sup> McHardy, F and Robertson, L. (2023) *Child Maintenance During a Cost-of-living Crisis – a system of support?* Available at: [Child Maintenance Doc 2023 FINAL 11th Aug Update Digital.pdf \(squarespace.com\)](https://www.squarespace.com/child-maintenance-doc-2023-final-11th-aug-update-digital.pdf)

### *Disabled women*

Research shows that women are more likely to be disabled in Scotland if they reside in 'deprived areas' and have lower incomes.<sup>13</sup> SWBG found that 43% of disabled women earned under £20k and were one of the groups more likely to struggle with energy and food costs, with 70% not putting their heating on to manage rising costs and 34% skipping meals entirely.<sup>14</sup> Research by Glasgow Disability Alliance found that the pandemic had acute impacts on disabled women compared to both disabled men and non-disabled women, further entrenching the inequalities they face.<sup>15</sup>

### *Larger families*

Larger families are defined as a household with 3 or more children. These families are particularly vulnerable to child poverty with 34% of larger families living below the poverty line in Scotland. Larger families must spend more money on essentials such as housing, food and energy due to a greater number of people. Despite this they face a cap on their income through policies such as the two-child limit and the benefit cap. Combined with the higher living costs, these policies have compounded difficulties for larger families during the course of the cost of living crisis by limiting the amount of support they can access. The result is that more larger families are going without essentials and facing poorer mental health outcomes<sup>16</sup>. Yet, neither of these policies have met their intended aims to reduce fertility rates and encourage people into paid employment. It is clear these policies must be ended to put adequacy and dignity at the heart of our social security system.

### *Young mothers*

Young mothers are disproportionately affected by the two-child limit and benefit cap cuts that continue to contribute to increasing child poverty rates. Mothers under the age of 25 receive a lower rate of universal credit, despite 55% of children with a mother under 25 living in relative poverty.<sup>17</sup> The result is that a single mother under 25 loses out on £75 a month,<sup>18</sup> The UK Government must reverse this discriminatory policy and pay under 25s the same rate of universal credit. This also has crossover to young carers who are between two and three times more likely to give birth aged 14-24 compared to young people who are non-care experienced.<sup>19</sup>

### *Asylum seekers/refugees*

Asylum seekers and refugees in the UK are particularly vulnerable during times of rising costs, often due to having no recourse to public funds. Our joint research on women living with low incomes found that asylum seeking women were experiencing increasing food

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<sup>13</sup> National Advisory Council on Women and Girls (2017) 'DISABILITIES'. Available at: <https://www.generationequal.scot/disabilities/>

<sup>14</sup> Scottish Women's Budget Group (2023) *Women's Survey 2023 – Experiences of rising costs in Scotland*. Available at: [SWBG-Cost-of-Living-report-proof-06.pdf](https://www.swbg.org.uk/wp-content/uploads/2023/06/SWBG-Cost-of-Living-report-proof-06.pdf)

<sup>15</sup> Glasgow Disability Alliance (2022) *Triple Whammy: Disabled Women's Lived Experiences of Covid-19 Voices, Priorities and Actions for Change*. Available at: <file:///C:/Users/AshleyMcLean/Downloads/GDA%E2%80%93TripleWhammy-Full-Report.pdf>

<sup>16</sup> Patrick, A et al. (2023) *Needs and entitlements; welfare reform and larger families*. Available at:

<https://largerfamilies.study/publications/needs-and-entitlements>

<sup>17</sup> One Parent Families Scotland (2023) 'Scottish Government told 'children' can't wait' for young parent social security top-up' Available at: [OPFS launches campaign to End Young Parent Poverty](https://www.opfs.org.uk/news/2023/06/scottish-government-told-children-cant-wait-for-young-parent-social-security-top-up/)

<sup>18</sup> One Parent Families Scotland (2023) *End Young Parent Poverty: Top up the Scottish Child Payment*. Available at:

<https://opfs.org.uk/policy-and-campaigns/campaigns/end-young-parent-poverty/>

<sup>19</sup> *ibid*

insecurity as they reported regularly relying on food banks due to low level financial support.<sup>20</sup> We call on the UK Government to urgently increase the level of financial support for asylum seekers and people with no recourse to public funds and further financial support required for people when gaining refugee status.

### *Regional*

The Poverty Alliance provide secretariat to the Cross-Party Group on Poverty in the Scottish Parliament and this year have been conducting an inquiry into experiences of poverty in rural Scotland. Interim findings have shown that poverty rates often fail to capture the rates of poverty in rural Scotland due to the tendency to focus on income as a poverty measure. Income rates are slightly higher in rural Scotland however the cost of living is estimated to be 15-30% higher in rural Scotland compared to urban areas<sup>21</sup>. For this reason, any increases in cost have a significant impact on people living rurally.

According to SWBG, Women in rural areas reported that they were struggling to manage costs at a higher rate than urban respondents. This was particularly heightened for food, transport, and social care costs:

Type of Cost	Rural	Urban	All respondents
Food Costs	42%	35%	37%
Energy Costs	48%	47%	48%
Housing Costs	28%	27%	28%
Transport Costs	35%	30%	32%
Childcare Costs	24%	30%	28%
Social Care Costs	53%	37%	44%

Table 1. Percentage of women respondents struggling to manage certain household costs and differences between women by location.

Women also highlighted experiences of the rural premium in regard to energy costs due to the reliance on expensive, alternative methods of fuel such as oil. Whilst responses in to SWBG's survey highlighted that women were using many of the same coping strategies at the same rate as women in urban areas, there was greater use of cutting back on bath/showers, using a foodbank and moving back in with parents.

## **2. What long-term effects will the rise in the cost-of-living have on equalities for women?**

### *Access to labour market*

According to SWBG, 15% of women have had to take on extra hours of work due to rising costs despite health issues or caring responsibilities.<sup>22</sup> Women's ability to access the labour market is heavily impacted by access to good quality childcare and flexible working. SWBG's found in 2022 that 51% of women stated childcare had impacted on their financial wellbeing.<sup>23</sup> Although powers over childcare are devolved in Scotland, childcare interacts

<sup>20</sup> Scottish Women's Budget Group and Poverty Alliance (2022) "It's hard work being poor" Women's Experiences of the Cost-of-Living Crisis in Scotland. Available at: [SWBG PA Cost of Living Report Final.pdf \(povertyalliance.org\)](#)

<sup>21</sup> Scottish Government (2021) *Poverty in rural Scotland: evidence review*. Available at: <https://www.gov.scot/publications/poverty-rural-scotland-review-evidence/documents/>

<sup>22</sup> Scottish Women's Budget Group (2023) *Women's Survey 2023 – Experiences of rising costs in Scotland*. Available at: [SWBG-Cost-of-Living-report-proof-06.pdf](#)

<sup>23</sup> Scottish Women's Budget Group (2022) *Women's Survey 2022 – all results report*. Available at: [Womens-Survey-Results-Report.pdf \(swbg.org.uk\)](#)

with the provision of flexible working which supports women into the labour market, enhancing their financial wellbeing. To this end, ensuring that workplaces adopt a flexible working policy is central to protecting women from poverty and should be a priority for the UK Government. Recent changes to flexible working regulations at the UK level fall short of this ambition.<sup>24</sup>

### *Debt*

Since the pandemic, women on low incomes have dealt with increasingly challenging decisions to manage the impact of rising costs. SWBG found that 23% of women stated they were taking on more debt with this figure increasing to 40% for single parents. Repayments for debt put further strain on already tight budgets for women living on low incomes, forcing them to skip on essentials to make payments or risk skipping payments and damaging their credit ratings and creating long lasting financial complications. Latterly, debt and mental health have a cyclical relationship where debt can worsen mental health and conversely poor mental health can pull people into debt<sup>25</sup>. Addressing the looming debt crisis is imperative both to tackling women's financial security but also to preventing worsening mental health. To this end, urgent action is needed to prevent debt repayments pulling people below a level of income that would guarantee their essentials.

### **3. How effectively is the Government's cost of living response helping women to meet the costs of essentials?**

Due to women's caring responsibilities, they are less likely to be able to increase paid work or find more hours with flexible employment. Social benefits are, therefore, highly important to complement women's incomes, especially in a household where the woman is the sole earner.<sup>26</sup>

However, the benefits system in the UK is in urgent need of repair as social security delivered by the UK Government has decreased in real terms mirrored with over a decade of austerity. As a minimum, the UK Government must continue its current commitment to increase benefits in line with inflation rather than its prior model of increasing benefits in line with average pay growth. The benefit cap along with other measures such as the two-child limit must also be abolished due to its adverse impact on women and poverty rates more broadly.

While cost of living support payments may have assisted in keeping women afloat in the short-term, they have not provided sufficient sustainable support to prevent a rising tide of poverty over the course of the cost of living crisis. Further to this, the flat payment of £400 to all households, whilst welcomed, failed to support households with higher energy costs or limited incomes such as single adult households and larger families; both groups who continue to struggle with the chronically high energy costs.<sup>27</sup> One-off support has not been

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<sup>24</sup> Close the Gap (2023) 'UK Government changes to flexible working regulations fall short' available at [Close the Gap | Blog | UK Government changes to flexible working regulations fall short](#)

<sup>25</sup> Christians Against Poverty (2021) *Shipshape or sinking. Problem debt and the effects on a person's financial and mental wellbeing*. Available at: <https://bynder.capuk.org/m/1e7f4a9c8c9e8ae5/original/Shipshape-or-sinking-ship.pdf>

<sup>26</sup> Women's Budget Group (2022) *Who loses from benefit uprating changes? A gendered analysis*. Available at: [Benefit-uprate-briefing.pdf \(wbg.org.uk\)](#)

<sup>27</sup> The Big Issue (2023) *Why the cost of living payment will not go far enough to help vulnerable people*. Available at: <https://www.bigissue.com/news/social-justice/cost-living-payment-not-enough/>



adequate to keep pace with the ongoing crisis. With much of the support that was in place last winter now removed, we are concerned about how households will be able to make ends meet this winter.

Women in Scotland are also adversely impacted by the changes made, including the freeze, of Local Housing Allowance (LHA) as women are more likely than men to be in receipt of Housing Benefit.<sup>28</sup> We call on the UK Government to unfreeze LHA to cover the true cost of rent and update this annually to keep pace with the cost of renting.

#### **4. What could the Government Equalities Office do to ensure the Government's cost-of-living measures respond to any inequalities women face?**

To address systemic inequalities, any spending commitments on policy and programmes at both the local and national level must be designed with a quality, intersectional gender analysis<sup>29</sup> that can ensure initiatives respond to different lived experiences. Failure to incorporate a gendered perspective on spending decisions risks baking inequality into the system. A gender budget analysis across all budget processes can raise awareness of different impacts on women and men of policies and programmes and challenging the assumption that budgets are 'gender blind', greater equality can be achieved. This is the case for both public spending and revenue raising. Similarly, all policy designs and service design should be accompanied by a robust equality impact assessment, developed at the earliest stage of policy making to mainstream gender equality considerations.

#### **5. What could businesses do to help women cope with increases to the cost of living and manage debt? For example, we are interested in hearing about:**

Our response to this question focuses specifically on support for women facing financial abuse and was written in partnership with Financially Included (a project by GEMAP Scotland Ltd). Financially Included provide specialist trauma-informed money advice to women in Glasgow who have experienced economic abuse.<sup>30</sup> 72% of these women live in poverty as a result of abuse<sup>31</sup>. However, very few businesses have procedures that consider economic abuse and the impact it has on women's financial situations. One consequence of trauma caused by economic abuse is a reduction in emotional and financial resilience to manage debt and the stress of living in poverty. A trauma-informed approach, considerate of the unique impact of gender-based violence, must be rolled out across sectors to improve responses to economic abuse.

- **The banking and finance sector, including on what measures it could take to identify and support victim-survivors of domestic or financial abuse**

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<sup>28</sup> (Assuming couple household claimants include an equal total number of men and women) Department of Work and Pensions (2017) Housing Benefit Caseload Statistics: Data to May 2018

<sup>29</sup> Intersectional gender analysis considers the lived realities of women and men in their diversity. While 'lived realities' is meant to recognise different between women and men, the addition of 'in their diversity' recognises how other characteristic such as age, socioeconomic status, disability, race, ethnicity, gender identity, religion and rural or urban location can also affect women and men in their lived realities.

<sup>30</sup> Financially Included. Available at: [NHSGCC - Violence Against Women » GEMAP](#)

<sup>31</sup> Financially Included (2023) Available at: Unpublished

Fundamental to ensuring individuals in the finance sector are able to identify victim-survivors is embedding education and training on economic abuse for frontline and specialist staff. Supporting this, banks have systems to monitor spending habits and flag significant changes to prevent fraud; this system could be used to identify changes in spending, an early warning sign of economic abuse. Regarding support, Financially Included have emphasised the need for formalised processes for writing off debt accrued in account holders' name as a result of economic abuse. This should be inclusive of coerced and fraudulent debts, as well as 'survival debt' where women have no recourse but to take on debt to buy essentials for them or their children because of their abuser's financial control. Financially Included note that its essential that where debt write-offs are offered, a credit file repair must follow to prevent long term financial problems.

- **Energy and utilities companies**

In regard to supporting women who are suffering from economic abuse, rather than forcing PAY-G on women who are struggling, sensitive inquiry methods could be used by companies to check in with customers struggling to pay or who may be left in energy arrears. Financially included also recommend that harassment over small sums of arrears must end as it only further compounds finance-related trauma, leading to overwhelm and an inability to engage in debt management processes.

- **Telecoms providers**

We recommend staff at telecoms providers are proactive in signposting available support to customers. This support and information, however, must be accessible, especially in regard to specific support for survivors of economic abuse and where English is a second language. There may be a hesitancy to discuss domestic abuse by both customers and businesses. This creates a gap in services and leaves customers struggling without asking for support. Basic awareness training could build staff confidence in raising this issue with customers. Customers do not know that support is available, and considering the long-term traumatic impacts of coercive control, it can be hard for women to ask for help at all, let alone help specific to their experiences of abuse. Where English is a second language, telecoms providers alongside other businesses such as banks, bear responsibility to establish their client's needs and provide accessible interpretation services that are fit for purpose.

- **Supermarkets**

There must, as a matter of urgency, be a concerted effort to curb price hikes on essential items such as milk, bread and pasta. Given women's propensity to be the 'poverty managers' in the household, women predominantly manage food budgeting and preparation. As a result, women often cut back on essentials for themselves (such as food) to ensure rising costs are not felt by the rest of the household.<sup>32</sup> There must be a concerted effort to ensure that income through social security and employment is adequate to match these price increases, ensuring that no one has to go without. For this, we affirm our support for the Essentials Guarantee campaign headed by Trussell trust and Joseph Rowntree

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<sup>32</sup> Women's Budget Group (2005) 'Women's and children's poverty: making the links'. Available at: [Women's and children's poverty: making the links - Womens Budget Group \(wbg.org.uk\)](https://www.womensbudgetgroup.org.uk/wp-content/uploads/2005/03/Women-s-and-children-s-poverty-making-the-links.pdf)

Foundation which calls for a basic minimum floor of at least £120 for a single adult and £200 for a couple.<sup>33</sup>

- **Other sectors with practical solutions to helping customers and employees most in need (international comparisons are also welcome).**

### *Social security*

Poverty is fundamentally about the lack of access to an adequate income. As a result, action that delivers fair work and strengthens the social security safety net are key to reducing poverty and inequality. Fundamentally, Covid-19 and the cost of living crisis have highlighted the inadequacies of our social security system and its inability to respond adequately to economic shocks. There needs to be more action to strengthen the social safety net, through social security and universal basic services.

To do this, everyone should receive adequate incomes through a “caring social security system” that provides a genuine safety net when needed most. This should take the form of a minimum income guarantee (MIG) which aims to create an income floor which no one would fall below. It is a simple but transformative policy that ensures all of us have enough income to live a decent and dignified life. Further recommendations for social security include:

1. Immediately increase the value of UK benefits to reflect rising costs of living. To meaningfully tackle poverty in the long-term, all benefits should be uprated in line with inflation.
2. Widen eligibility now for financial support to people in low-paid work. People in low paid work, who are not receiving benefits, are not entitled to passported benefits (e.g. free school meals, help with health costs, help with energy bills). Eligibility criteria should be urgently reviewed to ensure households in low-income employment have access to financial support.
3. Increase urgently the level of financial support for asylum seekers and people with no recourse to public funds and further financial support required for people when gaining refugee status.
4. Increase investment in a comprehensive programme of benefits take up, through both mainstream media and targeted activities at community level to maximise uptake
5. The Department of Work and Pensions should ensure people are receiving all the benefits and financial support they are entitled to through the provision of benefit checks. Jobcentre and Social Security Scotland advisors should ensure that claimants they are supporting are receiving all benefits they are entitled to through the provision of one-to-one benefit checks.
6. Additionally, DWP should increase awareness of where people can go to access advice and support on debt. Advisors should signpost people to national and local organisations providing debt advice and support. Signposting should include follow-up to ensure that people have been effectively directed to appropriate services

### *Child Maintenance*

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<sup>33</sup> Trussell Trust and Joseph Rowntree Foundation (2023) Guarantee our Essentials: reforming Universal Credit to ensure we can all afford the essentials in hard times. Available at: <https://www.jrf.org.uk/report/guarantee-our-essentials>



In the Poverty Alliance's joint research with Parents with experience of the Child Maintenance Service, parents made a range of policy and practice recommendations to improve the current system of Child Maintenance. Their recommendations included:

- Improving advice and information by providing more person-centred support including continuity of case workers and the option for face-to-face support.
- The calculations process for Child Maintenance needs to improve and be underpinned by a focus on income adequacy for receiving parents. For parents who are not receiving Child Maintenance (e.g., due to negative or abusive relationships with an ex-partner, due to bereavement or imprisonment), there should be an alternative source of support with incomes, particularly for households living in poverty. This support should be cash-based and accessible.
- Removal of the £20 charge would help support low-income households accessing the CMS Charging for the receiving parent within the Collect & Pay service should also be removed.
- A trauma-informed approach should be embedded within the CMS to improve service experiences in practice. This needed to include training around issues such as domestic abuse and coercive control.
- A greater focus on compliance is required for all types of arrangements through improving the effectiveness and speed of enforcement measures.

### *Fair work*

Women are more likely than men to work in caring, leisure, hospitality and other service jobs.<sup>34</sup> These sectors are often defined by low-pay and part-time work. Women are nearly twice as likely than men to be in severely insecure work, and this worsens drastically for mothers, disabled women, and Black and minority ethnic women.<sup>35</sup> Connected to women's propensity to work in low-paid, insecure jobs is the greater likelihood of women employed on zero-hour contracts (ZHCs) compared to men.<sup>36</sup> Sustained occupational segregation further drives the gender pay gap and gendered inequalities in the labour market as 72% of workers in Scotland trapped in persistent low pay are women.<sup>37</sup> Linking this to child poverty, in Scotland, over two thirds of children in poverty live in a household where someone works.<sup>38</sup> It is clear that work is not a guaranteed route out of poverty.

Employers have a critical role to play through providing a fair wage, job security and opportunities for flexible working. Research conducted by the Serving the Future project on low-paid work in the hospitality sector including parents, most of whom were women, found all participants working in the sector have been struggling with costs of living to varying degrees. Fluctuating hours and cancelled shifts in particular have an impact on participants' financial circumstances.<sup>39</sup> Women in this research who were on maternity leave also

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<sup>34</sup> Close the Gap (2021) *Statistics*. Available at: <https://www.closesthegap.org.uk/content/gap-statistics/>

<sup>35</sup> Florisson, R and Gable, O. (2022) *The Gender Gap: Insecure work in the UK*. Available at: <https://www.lancaster.ac.uk/work-foundation/publications/the-gender-gap-insecure-work-in-the-uk>

<sup>36</sup> Brett, M and Mcfarlane, L. (2022) *Women, Work and Wealth in Scotland's changing economy 2022*. Available at: [Women-Work-Wealth-in-a-changing-economy-report.pdf \(swbg.org.uk\)](https://www.swbg.org.uk/wp-content/uploads/2022/07/Women-Work-Wealth-in-a-changing-economy-report.pdf)

<sup>37</sup> Brett, M and Mcfarlane, L. (2022) *Women, Work and Wealth in Scotland's changing economy 2022*. Available at: [Women-Work-Wealth-in-a-changing-economy-report.pdf \(swbg.org.uk\)](https://www.swbg.org.uk/wp-content/uploads/2022/07/Women-Work-Wealth-in-a-changing-economy-report.pdf)

Joseph Rowntree Foundation (2023) *Poverty in Scotland 2023*. Available at: <https://www.jrf.org.uk/report/poverty-scotland-2023>

<sup>38</sup> Scottish Government (2023) *Poverty and Income Inequality in Scotland 2019-2022*. Available at: <https://data.gov.scot/poverty/>

<sup>39</sup> Serving the Future (2023) *Workers' experiences of low-paid work: a snapshot of the hospitality industry*. Available at: [https://static1.squarespace.com/static/615f53d44a4f5d21f16dac77/t/6508139013032e58a0c0a821/1695028118645/Longitudinal\\_Report\\_Final.pdf](https://static1.squarespace.com/static/615f53d44a4f5d21f16dac77/t/6508139013032e58a0c0a821/1695028118645/Longitudinal_Report_Final.pdf)

reported financially struggling and a lack of awareness and clarity from employers on financial support they were entitled to. Opportunities for flexible working are particularly important for women. In research with hospitality workers, several workers shared positive examples of employers providing shifts that worked around childcare. However, there is also a key role for government in ensuring that accessible and affordable childcare is available outside of traditional hours to support families.<sup>40</sup>

During the cost of living crisis, the real Living Wage is a mechanism for employers to protect their staff from rising prices, as well as building their financial security in the longer-term. The real Living Wage is the only UK wage rate calculated based on the cost of living and is calculated based on what is needed for a dignified life. Research by the Living Wage Foundation shows clear evidence of employee and employer benefits.<sup>41</sup> In addition, employers should seek to provide secure working hours through Living Hours accreditation.

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<sup>40</sup> Serving the Future (2023) Policy briefing: in-work poverty in the hospitality sector in Scotland. Available at: [Policy briefing: In-work poverty in the hospitality sector in Scotland — Serving the Future](#)

<sup>41</sup> Heery, E., Nash, D., and Hann, D. (2023) Twenty years of the Living Wage: The Employer Experience. Available at: <https://www.livingwage.org.uk/sites/default/files/2023-07/LWF%202021%20Living%20Wage%20Employer%20Experience%20Survey%20Report.pdf>