

Women's Economic Empowerment Strategy

Evidence submission

Summary

According to the 2011 Census there are around 3.2 million women at any given time providing unpaid care for older, disabled or chronically ill or disabled relatives. Some studies suggest that the number of women caring could be far higher.¹

Despite being valued at £77 billion per year, women's role in caring, unpaid, for disabled or older family or friends remains an invisible and undervalued part of our society².

To turn this into a positive: **Making caring – which includes women and men - a visible, valued and well supported part of our society would have a positive impact on women's economic empowerment, as well as benefitting families and the community.**

The impacts of unpaid caring on economic empowerment are:

- Employment
 - Poverty
 - Later life poverty
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¹ Carers UK (2019) Juggling work and unpaid care and Social Market Foundation (2018) Caring for Carers – supported by Age UK

² Carers UK (2016) 10 facts about women and caring on International Women's Day - based on analysis from Valuing Carers 2015 (Carers UK, University of Sheffield, University of Leeds)

What is the single, most important contributing factor to achieving women's economic empowerment?

Despite its being valued at £77 billion per year, women's role in caring, unpaid, for disabled or older family or friends remains an invisible and undervalued part of our society³. To turn this into a positive: **Making caring – which includes women and men - a visible, valued and well supported part of our society would have a positive impact on women's economic empowerment.**

Cultural and societal expectations of women

- Caring is often thought of as being part and parcel of a women's life.
- Carers UK was initially set up by Mary Webster, a single unmarried woman and quickly gained traction as it was expected that they would care, unsupported, with no income for older parents needing help.
- Within families, women are still most likely to be providing care and most likely to be providing more hours of care.
- Women make up the majority, 58%, of carers⁴.
- 20% of women aged 45 to 54 are providing unpaid care to someone with a disability or illness or who is older⁵.

Impact on employment

- Whilst men are more likely to be providing over 50 hours care per week at the same time as working full time, women make up the bulk of the workers juggling work and care. Women are more likely to be juggling work and care – 20% of women compared with 13% of men. Women are more likely to be working part-time⁶.

³ Carers UK (2016) 10 facts about women and caring on International Women's Day - based on analysis from Valuing Carers 2015 (Carers UK, University of Sheffield, University of Leeds)

⁴ Census 2011

⁵ Census 2011

⁶ Census 2011

- Employers not recognising that unpaid caring has an impact on workers. 1 in 7 workers is also an unpaid carer. This could be as many as 1 in 5 of public sector workers⁷.
- Women are more likely to have given up work as a result of caring – 1.6 million women compared with 1 million men have done so⁸.
- The types of employment that carers tend to do differ from those undertaken by the rest of the population. Women carers in particular are overrepresented in caring and service sector roles relative to other women (at 20% compared to 17%), as well as administrative occupations, and under-represented in professional occupations (at 16% compared to 21%)⁹.
- Carers often turn down promotions or restrict their job searches to be able to manage caring – often working below their potential. Two in 10 carers (20%) said they had taken a less qualified job or turned down a promotion as a result of their caring responsibilities or that they had retired early in order to provide care¹⁰.
- Relative to other women, those who provide unpaid care were slightly more likely to be part-time employees (24%, compared to 22% of other women), which is unsurprising given that more flexible forms of work may be needed to fit around caring responsibilities. However, the proportion of men who are part-time employees remains the same regardless of carer status (at 6%).
- For carers who gave up work to care, there was insufficient good quality social care (31% of those who gave up) or it was too expensive (21%), as reasons for giving up.¹¹

Wider implications for women's economic empowerment

- People who provide care for 20 hours or more each week tend to have lower qualification levels. 23% had no qualifications in 2013/14, while just 12% of non-carers had no qualifications¹².
- Once out of the labour market, women have great problems trying to return. The skills they have gained are not valued, recognised or accredited.¹³
- Caring also incurs higher costs of bills, travel, equipment, etc. that drain disposable income.¹⁴

⁷ Carers UK (2019) Juggling work and unpaid care, and additional analysis

⁸ *ibid*

⁹ NPI (2015) Informal Carers and Poverty

¹⁰ State of Caring Report 2048 (Carers UK 2018)

¹¹ Carers UK (2016) State of Caring report 2016

¹² NPI (2015) Informal Carers and Poverty

¹³ Evidence from various Carers UK reports and personal testimony

- Over a third of carers (37%) responding to our Carers UK's research described their financial situation as 'struggling to make ends meet', while a further 20% said they are in or have been in debt as a result of caring¹⁵.
- Carer's Allowance, the main carers' benefit, is the lowest benefit of its kind. 72% of people who receive it are women – and this has been the case ever since the benefit was first introduced.
- The rules around Carer's Allowance create a number of challenges for people trying to juggle part time work and receive it. This includes the cliff-edge nature of the earnings rule, the complexity of reporting variable income and the lack of a link with the National Living Wage at 16 hours a week. Many of these issues were explored in depth by the Work and Pensions Select Committee in its report on Employment Support for Carers¹⁶.
- The long-term implications for carers' finances were highlighted by John Cridland CBE in his final report following his independent review of State Pension age arrangements after 2028: *"Whilst a later State Pension age can be mitigated by longer working, the two objectives of unpaid caring, and longer working are not easy to reconcile. It is the same group of people, at the same age, needing to allocate their time in two different ways. Both contributions are important to society and to the Exchequer. Family social care is essential, and its reduction would lead to increased State social care. However, carers in their 50s and 60s also need an income; they need to build up a pension; and they need to save. If they do, they add to national wealth. We need to value their unpaid contribution to a decent society."*
- Carers tend to have poorer health and wellbeing than non-carers. Those caring for 50 hours or more per week are twice as likely to be in bad health as non-carers¹⁷.

As a result this shows that:

- Earning potential is reduced
- Spending may be increased from disposable income
- Flexibility to prepare for retirement is reduced
- Economic potential is also reduced as carers experience health issues as a result of caring.

¹⁴ Carers UK State of Caring report series since 2013

¹⁵ Carers UK (2018) State of Caring Report 2018

¹⁶ <https://publications.parliament.uk/pa/cm201719/cmselect/cmworpen/581/58102.htm>

¹⁷ Census 2011

Whilst the literature and evidence has focussed on the impact of having children and childcare on a women's earning potential and pensions, there is very little research or data of the effects of unpaid caring on a women's life longer term. This includes women who do not have children, but whose earning potential and pensions provision may be reduced, as well as those who do have children. The potential life-long impact of a disabled child growing up into adulthood when caring continues has also not been explored as much as it could be.

What are the immediate practical changes that would make the biggest difference?

Invest now in public services

- Immediate investment in social care is needed to enable people to remain in or return to work alongside caring responsibilities. Care and support systems must be seen, in the same way as investment in childcare, as essential infrastructure to support employment and in particular women's participation in the labour market.

Modernise workplace rights and workplaces

- Improved recognition of caring in the workplace – helps women, but also helps those men who experience similar negative impacts of caring. Carers UK has developed an employer benchmarking scheme, Carer Confident, which assists employers to build a supportive and inclusive workplace for staff who are, or will become, carers and to make the most of the talents that carers can bring to the workplace. <https://www.employersforcarers.org/carers-confident>
- A report by the Social Market Foundation suggests that a Care Pay Gap could be highlighted. Equally, measures to address the Gender Pay Gap could make supporting unpaid carers within the workplace a series of concrete and visible actions.¹⁸
- Workplace rights need to catch up with how today's population and society. Government has pledged to bring forward a consultation on care leave and the right way to do it, which we have welcomed. We believe this consultation would

¹⁸ Social Market Foundation (2018) Caring for Carers, report supported by Age UK.

be highly valuable. We consider that a right to **paid** care leave of between 5 – 10 days is progressive, more flexible for employers, more flexible for those providing care to care.

Financially support caring

- Carer's Allowance needs to be increased made more flexible to support claimants to stay in touch with the labour market. The fact that it is the lowest benefit of its kind, not even equivalent to contributions based Job Seeker's Allowance (JSA), and the fact that a majority of women claim it, is a real inequity. The Scottish Government recently raised the level of Carer's Allowance to that of JSA and will continue to increase it year on year in line with CPI. This will leave the women of England, Wales and Northern Ireland ever further behind.
- The earnings threshold for Carer's Allowance needs to rise year on year in line with the National Living Wage pegged at least to the equivalent of 16 hours a week so carers don't have to choose between Carer's Allowance and keeping in touch with the workplace. A taper should also be introduced.
- Government needs to review the freezing of benefit rates. Although disability and carer's benefits continue to rise, freezing other benefits has a wider impact on families' income, thereby affecting carers.

What do we need to change for future generations?

Future generations of women will need to be able to juggle work, caring for family which may also include caring for younger children at the same time – 2.4 million do¹⁹ – and preparing for their own future. As we look to other countries ageing faster than our own, we see a stronger rights base for workers (Japan), increased investment in social care systems (Germany and Japan), the role of technology being explored (Japan and Scandinavia) different housing options for living which increases support and reduce pressure on families (Sweden and Holland).

There are a number of responses where families, businesses and communities can all contribute, with Government playing a key part of the infrastructure, as highlighted in the Industrial Strategy.

¹⁹ Carers UK (2014) Sandwich Caring

Recommendations to improve support for carers in the future:**Invest in health and care services for the future:**

- Put in place enough funding so that older people and people with disabilities are able to access the high quality and affordable care they need and are able to have a life alongside caring roles. Consideration of new funding models for social care and the priorities for future NHS spending must have carers' contributions, both financial and practical, at their heart and deliver a sustainably funded health and care system that is fairer for families.

Recognise the value of carers' skills

- Recognising skills gained whilst caring to support carers into or back to work – Carers UK is developing a skills recognition tool that will be launched later in the year. To build up recognition of the skills, matched with understanding employers and flexible working will improve women's ability to return to the labour market.

Secure carers' incomes in later life:

- Commission detailed modelling of what happens to women who are providing unpaid care.
- Commission detailed modelling of pensions systems that look at this planning for retirement and the future, taking into account unpaid care as well as the costs of paying for care.
- Provide carers close to retirement age with enhanced income/ early drawdown of their pension.
- Ensure that carers are auto-enrolled in a second pension – a Carer's Pension needs to recognise the value of unpaid work and ensure that they do not suffer financial hardship later in life.

Contact us

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