

Sarah Champion speech at the London School of Economics

Sarah Champion MP,
Labour's Shadow Secretary of State for Women and Equalities,
speaking at the London School of Economics today, said:

*****CHECK AGAINST
DELIVERY*****

It's such an honour to
be here at the LSE.

Founded by Beatrice
Webb, a visionary woman who paved the way for the Beveridge report, and who
arguably drew up the blueprint for what would later become the welfare state
and the birth of our NHS.

I would like to thank
the LSE Department for Economics as well as the Equality and Diversity
Taskforce, for hosting this important event here today ahead of the Spring
Budget next week.

It is great to see so
many senior female economists and academics here. Too often women's voices on
the economy are ignored or take a back seat.

Just over a year ago,
the Fawcett society analysed newspaper coverage of the economy and found that
over 80% of those quoted or referenced were men, and over 80% of articles
were
imbalanced in favour of men.

From that I take two
things:

One, that the voices of
women, like many of you here today, with relevant expertise and experience,
are
rarely given a platform – which reinforces the public perception that being
an
expert on the economy is a male role.

Secondly, the economy is
an area where there have been significant negative impacts on women since
2010.

From cuts to tax credits
to the crisis in social care budgets – it is women who have consistently been
hit hardest, yet it is our voices that are continuously excluded.

This year, the Spring Budget is on the same day as International Women's Day – so the 8th March becomes a critical day both for women's rights and for the economy.

Labour are determined to ensure that we do not miss this opportunity to lay out our demands for women to be at the heart of economic decisions.

For women's voices, perspectives and interests to be properly understood, considered and heard.

As of the last autumn statement, 86% of the net gains to the Treasury through tax and benefit changes since 2010 had come from women.

That figure is up on the previous year's autumn statement, in which the figure was 81%.

That is why, today, Labour are calling for a Spring Budget that works for women.

A budget that invests in jobs for women.

A budget that recognises and supports the services that women depend on.

A budget that advances women's equality and economic independence

At its heart, we expect a budget that works for women as it is a key opportunity for the advancement of gender equality.

This concept, often referred to as gender budgeting, now takes place in more than 40 countries around the world.

It was originally inspired by the early experiences of countries such as Australia, and then given further momentum by the United Nations commitment to gender budgeting in the Beijing platform for action.

The perceived assumption is often that budgets are neutral, that they benefit and impact on everyone equally, regardless of gender, ethnic background or disability.

We know this is not the case.

Women are particularly vulnerable to being hit harder by this Government policies, for a number of reasons.

First, social security payments make up a greater share of women's income than men's, as women still earn less in the labour market.

Women make greater use of public sector care services than men, because they have greater caring responsibilities.

Women also pay less direct tax than men, because they tend to earn less. Meaning that tax breaks for top earners disproportionately benefit men.

Finally, women are hit harder by this Government's policies, because a higher proportion of women are employed in the public sector, which is consistently under attack.

If we are to create a budget that works for women, these factors must be properly taken into account during the formative stages of policy making and budget setting. It needs to be done in a way that ensures that women are not disproportionately penalised, and that gender economic equality is advanced.

However, Gender inequality will not simply be addressed through gender budgeting.

Children aren't born with expectations about what is, or is not, appropriate for their future careers, or beliefs about what their work is worth.

The stereotypes we see embedded from such a young age [ultimately contribute to the inequalities we see in adult life](#), in the workplace and in the economy more widely.

This must change.

Violence against women, maternity discrimination, unequal pay and lack of access to decently paid, secure employment: all take an economic toll.

Gender inequality is economically inefficient. Gender equality is good for economic growth.

Janet Stotsky, who has researched the economics of gender since the mid 90's, recently led an International Monetary Fund survey. She has said simply that;

'gender budgeting is good budgeting'.

The imperative for a budget that works for women goes far beyond an economic one. Legal and international obligations on the Government are clear in the need to protect and advance women's economic equality.

The Equality Act 2010, introduced by Labour, enshrined in law the public sector equality duty which requires public authorities to have due regard of equality considerations when exercising their functions.

In section 149 of the Act, Labour placed the provision that any public body must, in the exercise of its functions, have due regard to the need to "eliminate discrimination" and "advance equality of opportunity" for those with protected characteristics, which include gender and ethnicity.

Given that the legal and economic arguments are clear that budgets must work for women, why is it women who continually fair worst under this government?

My belief is it is a combination of outdated and intrinsically biased assumptions in accounting and policy, as well as a lack of transparency in how equality considerations are taken into account, have brought us to the point where the 86% figure I mentioned earlier is a reality.

Take, for example, the way investment and current expenditure are defined by the Treasury.

Currently, the wages of construction workers paid to build a school count as public investment. However, when government staffs the school to provide education, the wages of the teachers are not counted as investment expenditure, but as current expenditure.

The benefits produced by teachers accrue over the years, both to the children who have been educated, and to the wider economy. These are not just 'day to day' immediate benefits.

Feminist economists have long argued that the work force is a produced asset that requires investment of resources for it to be available on a daily basis.

In the example I just gave – both the wages of the teachers and the construction workers would be

defined as public investment.

Similarly, there is also an inherently skewed way that governments think about infrastructure.

The Labour Party have long acknowledged that economic development requires a well-functioning social infrastructure; Schools, hospitals, care and public services.

Investment in social infrastructure both alleviates unpaid care work and generates more jobs for women.

Underinvestment in public services and infrastructure not only reduces the productivity of the current and future work force, but it also dumps the burden of, often unpaid, care work on women. This leads to an inevitable impact on women earning ability.

Yet in statement after statement, we hear the government effortlessly justify investment of tax payer money in roads and transportation projects, while their last Autumn Statement, failed to offer any investment in care or the NHS.

The government's excuses for their unprecedented lack of investment in care, the NHS and public services don't stack up for the economy, and they definitely don't stack up for women.

When the UK Labour government invested in creating the NHS in 1948, the ratio of debt to GDP was over 200 per cent, and that higher public investment led to higher growth. High debt ratios did not prompt cuts to public investment in the 1940s, 1950s or 1960s.

What is unarguable is that at the same time as imposing cruel spending cuts that have been shown to hit women hardest, this government has added almost £700bn to the national debt.

That's not just more than the last Labour government.

It's more than every Labour government, in history, added together!

So, not only have public services like our NHS or our Local Councils been shredded, the scale of the failure is such that the Tories can't even claim to have reduced the debt!

The question that we must focus on is whether an individual investment project has economic returns that are higher than, or at least equal to, its costs in terms of interest payments.

If the returns are high enough, debt sustainability would automatically be satisfied as the additional growth would decrease, or at least stabilise the debt to GDP ratio.

But, if we continue to think of public investment exclusively as spending on physical infrastructure – roads, railways, ports, airports – the benefits to women will continue to be limited by this definition.

And remember, this is in addition to the deepening and damaging cuts to social infrastructure under this government that fail to invest in our future workforce, and women in particular.

The last autumn statement posed a real opportunity for the Government to make changes:

They had the opportunity to start a new economic path with a new female Prime Minister.

They missed that opportunity by a mile.

The disproportionate impact on women had in fact increased from the autumn statement the previous year, from 81 to 86%.

Joint analysis from the Runnymede Trust and the Women's Budget Group also showed that, as of the last autumn statement, low-income black and Asian women are paying the highest price for this Government's failed austerity agenda.

The 86% impact figure sounds shocking, but we know it isn't just a number in a textbook or a policy paper.

These are real women.

Real women whose lives are being made increasingly more difficult through government policy and successive budgets.

Women who have to

struggle with more caring responsibilities due to the ever increasing gap in social care funding.

Women on increasingly insecure employment terms, unable to plan properly for their family's future.

Women born in the 1950's who, with little to no notice, are having to face a crisis in their retirement planning.

54,000 women a year who are forced out of their jobs through maternity discrimination and who can't afford this government's extortionate fees to take their employer to tribunal.

Women in my constituency and constituencies up and down the country who will have to wait another 60 years before the gender pay gap closes.

155 women and 103 children on a typical day, who are turned away from refuges due to lack of space, according to Women's Aid

Women struggling under more pressure placed on them through cuts to universal credit and to child tax credits.

And perhaps most shamefully, women who, as of next month, will have to prove their third child is a product of rape if they wish to qualify for child tax credits.

I'm not sure how we have ended up here?

But I am sure that this cannot continue, and that Labour will hold this government to account for their seismic failings.

Twice Labour has formally presented the government with clear analysis on the impact of their budgets on women, only for the data to be dismissed out of hand by Ministers.

It would be far more credible if the government produced their own gender impact analysis alongside their financial statements, rather than to criticize the House of Commons library data without producing any alternative of their own.

To add insult to injury, the Government knows how to conduct a proper audit of their policies on women

and
those with protected characteristics.

The Equality and Human Rights Commission, and the Women's Budget Group, have outlined suggested methodologies very clearly.

We have to ask why, in the light of the availability of those methodologies, the Government continue to be so evasive in stepping up to their duties.

It is getting to the point where the government can no longer plead ignorance of the way their policies are impacting women or that there doesn't exist evidence to show this impact or the strategies to overcome it.

And the continued lack of transparency is deeply concerning.

The cross party, parliamentary Women and Equalities select committee have had precious little cooperation from the government in this area.

The Treasury have refused, in writing, to send a minister to answer questions on the impact of the Autumn Statement on women. And they have sent inadequate or incomplete answers to questions asked by the committee.

The committee have stated publicly that, I quote,

'The lack of information provided to us demonstrates a concerning lack of transparency. The promotion of transparency is a central aim of the Public Sector Equality Duty requirements, but the Government's current position does not engender confidence that these requirements are being complied with.'

Next week, during the Chancellor's budget, on international women's day, there will be nowhere to hide if the government continue to avoid addressing this omission.

The game is up.

Labour is demanding the government put an end to this embarrassing ducking and diving and produce a transparent, cumulative impact analysis of their policies on women since 2010, as well as an equalities impact assessment of the specific measures announced in the Spring Budget.

The usual one-off cash

give-away, or a gimmicky policy aimed at women, will not suffice.

Let me be very clear;

We are talking about a fundamental, structural, disproportionate impact on women of government policy since 2010.

Nothing short of a fundamental, structural solution will do.

This government seem keen to support gender equality on paper if it only means marginal changes, or a few one off measures.

What is needed however, are root-and-branch changes on how the fiscal system supports gender equality.

I appreciate this is much more challenging, but it is vital and long overdue.

The Labour Party will not shy from this challenge.

I am pleased announce today that Labour will build upon current equalities legislation, consulting over the next 12 months on bringing in an Economic Equality Bill.

Put simply, this Bill would seek to ensure that on equality, the money follows the policy.

It will no longer be possible for governments to talk the talk on equality while implementing economic policies that make life harder for women and protected groups.

It's about ensuring that we eliminate intrinsic, structural barriers that prevent people from reaching their full economic potential.

Next week, during the Spring Budget, Labour will be watching.

In the absence of the government conducting their own gender impact analysis on the budget, once again, Labour will be working hard with the House of Commons Library to produce this data.

I have to say, I find it shameful that we have to hold the Government's feet to the fire in this way,

simply to ensure that their policies are not disproportionately impacting one particular group and reversing progress on economic equality.

Globally, when one of Trump's first acts as President, in a room full of men, was to curtail women's reproductive rights while Vladimir Putin has de-criminalised domestic violence, leadership from the UK on gender equality has never been so urgent.

Then there is the triggering of Article 50 and a Government white paper that failed to even mention the word equality.

The prospect of the UK becoming a deregulated off shore tax haven, free from EU treaties and law does not bode well for women.

Labour will make clear during our budget next week that that we expect the government to fundamentally and structurally enable and promote economic equality for all women.

Labour's economic aims always have, and always will be, our social aims too.

Our new Economic Equality Bill is the next step in realising this.

Labour is committed to overturning a rigged economic system that sees women bearing the brunt of failed austerity.

Labour has committed to producing a gender impact analysis alongside all of our financial statements in government.

Historically, I am extremely proud that that almost every major piece of legislation that has improved the lives of working women has been introduced by a Labour Government.

It was a Labour Government who introduced legislative protections for women under the Equal Pay Act, the Sex Discrimination Act and the Equality Act.

Labour were the first administration since the Second World War to accept state responsibility for developing childcare policy, and we introduced paternity leave and increased maternity leave. Labour brought in Sure Start centres, working tax credits

and
all-women shortlists, and we have more women MPs than all the other parties
in
the House combined.

And it is Labour who are
now at the forefront of challenging the government on their abysmal record on
gender economic equality and it is Labour who are taking the lead on working
to
develop in government, a budget that works for all.