

Gender and Poverty

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1. The gender dimension of poverty

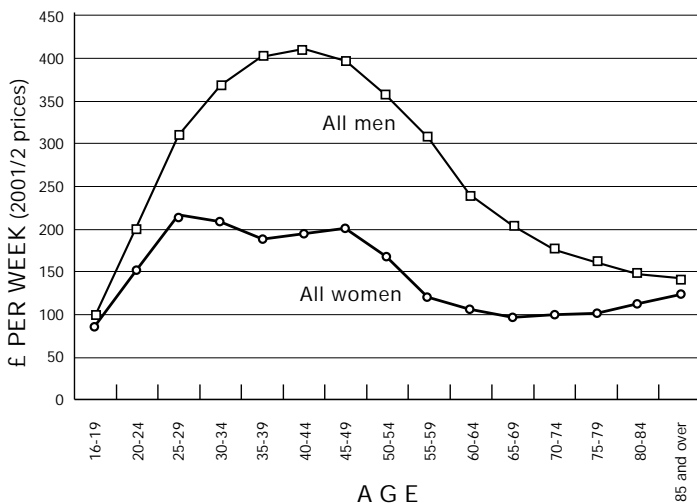
There are clear links between gender and poverty in the UK today. Higher numbers of women than men live in poverty. Women are also more likely to experience both persistent poverty and hidden poverty.

Men's risk of poverty is mostly connected to their exclusion from the labour market, whether due to low skills, previous unemployment or a lack of regional job opportunities. Stereotyping in the labour market may also lead men to reject the only employment available if it is identified as traditional 'women's work'. Labour market exclusion is also a route into poverty for women, but they face the additional risks of lower wages, less access to promotion and occupational segregation. For women, occupational segregation leads to low-paid and insecure employment that can be fitted around domestic responsibilities.

As well as labour market exclusion, women's poverty is closely linked to their family status and caring roles. Women heading their own households, especially lone mothers and single pensioners, have the highest risk of poverty. And, since the majority of caring remains unpaid, women's caring roles have a major impact on women's economic status. In addition, the true extent of women's poverty may be hidden by household measurements of poverty that overlook differences in individual control over resources.

Women and men from Black and Minority Ethnic communities have a higher risk of poverty than the white population. For women, the combined impact of sexism and racism is often severe. Black and Afro-Caribbean women make up a relatively high proportion of lone parents, while low pay and the low economic activity rate of Bangladeshi and Pakistani women, coupled with large families, result in high poverty levels.

Median individual income by age for all women and all men, 2001/02



Source: Women and Equality Unit, *Individual Incomes of Men and Women 1996/97- 2000/01*, (DTI; London, 2003)

In later life the full impact of women's responsibilities and lower earning power is seen in poor pension entitlements. This is compounded by women's greater longevity and their increased risk of living alone at this stage in their lives.

- 40 per cent of women (compared to less than 20 per cent of men) have incomes of less than £100 per week.¹
- 25 per cent of women live in poverty.²
- 22 per cent of women and 14 per cent of men have a persistent low income.³
- In 2001-02, average individual income per week was £208 for women and £386 for men.⁴
- Between 1997 and 2002, women's (weekly median individual) income as a proportion of men's rose from 46 per cent to 50 per cent.⁵
- For 30 per cent of women (and 16 per cent of men), benefits and tax credits make up at least three-quarters of their income.⁶

2. Reasons for poverty and for hidden poverty

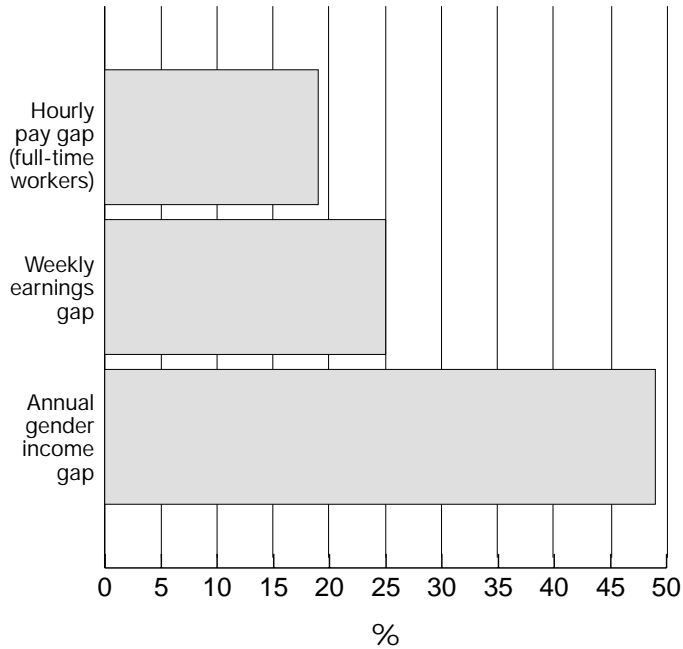
Currently in the UK, a variety of factors in both the public and private sphere result in the high incidence of poverty amongst women. While some factors, such as the gender pay gap and occupational segregation, are well-known, they do not reveal the full extent of the **gender income gap**. In 2000-01 the hourly pay gap for full-time workers was 19 per cent (in other words, women working full time earn 81 pence for every pound earned by a man working full time); but the weekly earnings gap between women and men was 25 per cent and the annual gender income gap was 49 per cent.⁷

a) Poverty within the labour market

Women are less likely than men to secure an adequate income in paid work. This means that employment does not offer women automatic protection against poverty.

- The **gender pay gap** between full-time hourly earnings for women and men is 19 per cent,⁸ and 59 per cent when women's part-time hourly earnings are compared with men's full-time hourly earnings.⁹

Gender gaps in earnings and income



Source: Equal Opportunities Commission, *Women and Men in Britain: Pay and Income* (EOC: Manchester, 2003)

- The **mother gap** refers to the penalty in the earnings of mothers, when compared to women without children. Britain has a large mother gap by international standards and the effects are particularly severe for teenage mothers and low skilled women.¹⁰

*"We have no-one to look after the children, and so half our wages would have to pay the childcare costs... It's not worth going to work."*¹¹

- 44 per cent of women currently in employment work part-time¹², and most women work **part-time** at some point in their lifetime. This work is generally low status, insecure and temporary and has fewer occupational protections and benefits. With projected labour market growth for the UK in this area, the problem of guaranteeing women a **living wage** is growing.
- Although not the case for all women in the UK, some groups of women are particularly vulnerable to **unemployment**. For example, only 15 per cent of female refugees, compared to 42 per cent of male refugees, are in paid employment.¹³
- **Occupational segregation** continues. Female dominated occupations tend to be low paid and undervalued. Women often work in these jobs, despite low pay, because they need flexible working hours and practices.
- **Absence from the labour market** due to caring and domestic labour lead in the short-term to a lack of cash

and financial resources. Over the lifetime the impact of caring is felt through a reduced opportunity to develop skills and build up assets, such as pensions.

b) Poverty within households

The most commonly used measurement of poverty treats all individuals as equal recipients of income coming into the household, regardless of who receives or controls this money. This masks the true extent of poverty, ignoring both unequal distributions within households, and the different circumstances or obligations that individuals have.

- The household works as a 'black box': we know what goes into the household but it is difficult to know the extent of redistribution among family members. However, research suggests that bringing money into the household brings a sense of entitlement and women have a bigger say in how money is spent where they bring in a higher share of household income.¹⁴

*"I'm probably a bit more careful because he does earn more, do you know what I mean, it seems ok for him to spend his money on himself."*¹⁵

- The personal income of partnered women with children is just 34 per cent of the income of equivalent males.¹⁶ This can result in poverty for women living within households even if the household income is above the poverty line.
- Women act as buffers in poor households. Research shows that women often deny themselves basics, such as food, in order to protect their children and/or partner from the consequences of poverty. Women living in households with an income below the poverty line may therefore experience a more severe poverty than other family members.

*"You make sure your husband gets a good meal and your kids get a good meal - and you'll have a sandwich. You think, 'He's been at work all day, I've got to give him a good meal.'"*¹⁷

- Women also take on financial management within households on a low income, but without necessarily having control over resources. This can be a source of conflict and can force women into making stark choices.

3. The impact of poverty and social exclusion

Poverty and social exclusion are strongly linked. Lone parenthood and disconnection from employment increase the isolation of women who, not through choice, are unable to participate fully in their communities and the social and political life around them.

Women's social exclusion may mean a lack of access to financial services, a lack of leisure time or poor health. Social exclusion also incorporates the fear and reality of domestic violence, and when linked with poverty, can make it harder for women to escape violent relationships.

The burden of poverty and the responsibility of managing resources on a low income leave women experiencing high levels of stress, anxiety and guilt. Poverty and a fear of crime can confine women within poor quality housing and isolate them from their families. Taken together, these factors impact upon women's mental health and self-confidence and women believe poverty is harder for them than men, who appear to be more resigned to the situation.¹⁸

- 6 million women (compared to 4 million men) who are not in paid work or full-time employment do not participate in any social, political, cultural or community organisations.²²
- Women aged 60 or over are twice as likely to feel unsafe out at night as men.²³
- Lone parents are three times as likely to have no bank or building society account as the average household.²⁴
- One woman is killed every 3 days by a violent partner or ex-partner.²⁵

*"Being poor has a negative impact on your self-confidence and self-assertiveness. It also saps your energy. There are women on my estate whose expectations have been reduced to the basics of life - that makes me angry."*¹⁹

*"[Problem debt is] part of your life. It's continually in your head all the time, when you're shopping, when you're at home, relaxing, it's still there."*²⁰

*"We would like to visit relatives, but we can't afford the bus fares. I get fed up with the four walls. It makes you feel down."*²¹

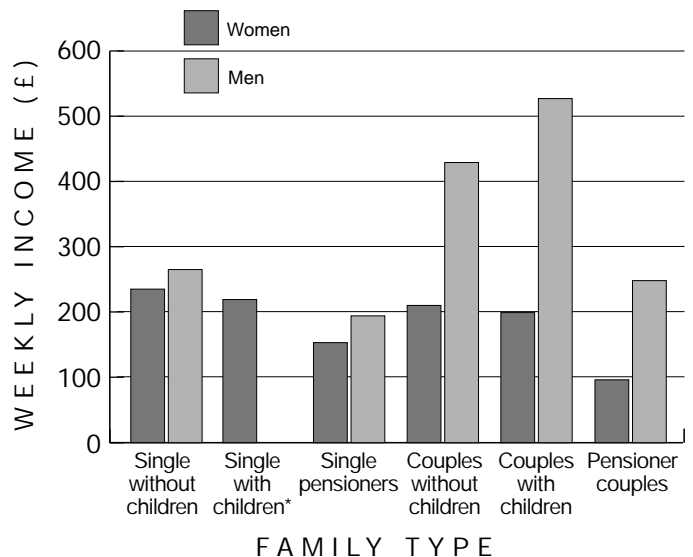
4. Routes into and out of poverty

a) Routes into poverty

Low skills are a route into poverty for both women and men, but family risks such as divorce, widowhood, separation and teenage motherhood are major triggers of women's poverty in a way that they are not for men.

Lone motherhood is a route into poverty. Lone mothers make up 90 per cent of lone parent households and 53 per cent of lone parent households are poor.²⁶ This means child poverty cannot be examined in isolation from the gendered nature of poverty.

Average total individual weekly income by family type



* Male sample size too small for a reliable estimate
 Source: Individual Incomes of Men and Women 1996/97-2001/02, Tables S2.1-2.2, Women and Equality Unit

Teenage mothers, in particular, risk a lifetime of income poverty. Low educational attainment, living in deprived areas and limited access to services compound to limit the opportunities of teenage mothers.²⁷

In later life, separation, divorce and widowhood influence women's poverty risks. Older women experience the impact of a lifetime of gender inequality, combined with the fact that the pension system fails to provide an adequate income for women. Single women pensioners have a 24 per cent chance of living in poverty.²⁸

b) Routes out of poverty

Access to personal income protects women and their families from poverty, and also allows women a greater say in the distribution of resources within the household. Poverty levels are higher in households with only one adult in the labour market, than for households with two adults in paid employment.²⁹ This means that women's access to an independent income protects not only themselves, but their families as well.

The gender pay gap often means that it is only a male wage that can secure an adequate income for families, and so re-partnering appears to be a route out of poverty for many women. However, the extent to which this truly protects women is unknown given that poverty may be hidden within the household.

5. Government policies

Government targets and measures to tackle poverty have helped women living in poverty. Changes to the tax credit system, the introduction of the National Minimum Wage, and increases in the Minimum Income Guarantee for pensioners have contributed to reducing women's risk of poverty. The Government has introduced targets to reduce child poverty and pensioner poverty. However, the reduction of women's poverty has never been an explicit government target.

The Government's New Deal schemes include an attempt to encourage mothers back into **paid employment**. But programmes for the long-term unemployed and young people (whose clients are mostly men) have received far greater funding relative to schemes for lone parents and partners of the unemployed, where women are in the majority.

General inadequacies in **childcare and pension policies** have a particular impact on women. Accessible and affordable childcare for all and a commitment to more substantial paid parental leave would help bring women back into the labour market and redistribute caring within the family.³⁰ Pensions must better incorporate the pattern of women's working life. Making

all state pension contributions count and introducing a system of credits that cover caring for children and older people would improve women's access to pensions.

The government and other European member states set out objectives to eradicate poverty and social exclusion in a **National Action Plan** [NAP]. Whilst this could provide a possible framework for tackling gendered poverty in the future, the UK's 2003-05 NAP does not include an analysis of gender in its definition of poverty. A more specific **gender focus** within the NAP and other government policies would reduce the number of women living in poverty and assist in meeting current poverty targets for children and pensioners.

6. Sources of information

To find out more about gender and poverty, you might like to start with some of the following organisations:

Oxfam UK Poverty Programme
Oxfam House, 274 Banbury Road,
Oxford OX2 7OZ
Tel: 01865 313 113
www.oxfam.org.uk

Equal Opportunities Commission
Arndale House, Arndale Centre,
Manchester M4 3EQ
Tel: 0161 838 8340
www.eoc.org.uk

Age Concern
Astral House, 1268 London Road,
London SW16 4ER
Tel: 020 8765 7200
www.ageconcern.org.uk

Women's Budget Group
c/o The Fawcett Society,
1-3 Berry Street, London EC1V 0AA
Tel: 020 7253 2598
www.wbg.org.uk

One Parent Families
255 Kentish Town Road, London NW5 2LX
Tel: 020 7428 5400
www.oneparentfamilies.org.uk

Single Parent Action Network
Millpond, Baptist Street, Easton, Bristol BS5 0YW
Tel: 0117 951 4231
www.spanuk.org.uk

The Fawcett Society

1-3 Berry Street London EC1V 0AA

020 7253 2598 info@fawcettsociety.org.uk www.fawcettsociety.org.uk

Add your voice to the UK's campaign for equality between women and men. Join Fawcett today!

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For further copies of this briefing or for more information, please contact the Fawcett Society on 020 7253 2598 or info@fawcettsociety.org.uk

The Fawcett Society is the UK's campaign for equality between women and men.

Oxfam is a development, relief and campaigning organisation dedicated to finding lasting solutions to poverty.

References

- 1 Women and Equality Unit, *Individual Incomes of Men and Women 1996/97- 2000/01*, (DTI; London, 2003).
Data taken from Family Resource Survey.
- 2 Bradshaw et al., *Gender and Poverty*, (EOC; London, 2003).
Data taken from 1999/00 Family Resource Survey.
- 3 DWP, *Households Below Average Income*, (DWP; London, 2003), Table 7.9. Persistent low income refers to living on a low income for at least three out of four years.
This figure represents those living on an income of less than 70 per cent of the median between the period 1997-2000.
- 4 Women and Equality Unit, *Individual Incomes of Men and Women 1996/97- 2000/01*, (2003)
- 5 Ibid.
- 6 Ibid.
- 7 EOC, *Women and Men in Britain: Pay and Income* (EOC; Manchester, 2003). Data from *New Earnings Survey*
- 8 Office for National Statistics, *New Earnings Survey 1982-2002*, (ONS; London, 2002)
- 9 Ibid.
- 10 Women's Unit, *Women's Incomes Over the Lifetime*, (Cabinet Office; London, 2000)
- 11 Bangladeshi woman quoted in Syeandle, S., K. Escott, L. Grant & E. Batty, *Women and Men Talking About Poverty*, (EOC; Manchester, 2003)
- 12 Women and Equality Unit, *Key Indicators of Women's Position in Britain* (DTI; London, 2002), Table 3.9
- 13 A. Bloch *Refugees' Opportunities and Barriers in Employment*, (DWP; London, 2002)
- 14 Rake, K & G Jayatilaka, *Home Truths*, (Fawcett Society; London, 2002), p.19
- 15 Ibid., p.20
- 16 Ibid., p.7
- 17 Mother, Sheffield, quoted in Syeandle et al., *Women and Men Talking About Poverty*, (2003)
- 18 Ibid.
- 19 Lister, R. 'Women in Poverty' in K. Funken & P. Cooper (eds) *Old and New Poverty*, (Rivers Oram Press; London, 1995), p.64
- 20 Ibid.
- 21 Young woman, Middlesborough, quoted in Ibid.
- 22 Palmer, G., M. Rakman, & P. Kenway, *Monitoring Poverty and Social Exclusion 2002*, (New Policy Institute and Joseph Rowntree Foundation; London, 2002), p.94
- 23 Ibid., p.37
- 24 Ibid., p.97
- 25 Women's Aid, *Woman's Aid Campaign 2000: A future without fear*, www.womensaid.org.uk
- 26 DWP, *Households Below Average Income 1994/5-2001/2*, (DWP; London, 2003), Tables D5.1.
- 27 Hendessi, M & F. Rashid, *Poverty: The Price of Young Motherhood in Britain*, (YWCA; Oxford, 2002)
- 28 DWP, *Households Below Average Income*, (2003), Table 6.5
- 29 Ibid., Table 4.1
- 30 With thanks to Sue Cohen and Single Parent Action Network, www.spanuk.org.uk