

Economic crises tend to hit women hardest and the Cost-of-Living Crisis is no different. The current situation for those on the lowest incomes, where women are over-represented, is dire with significant concerns around rising levels of debt, poverty and destitution. In addition, a long period without a functioning devolved government, an environment of severe budget cuts often targeted at those who can afford it the least and a chronic lack of funding for essential services including health, social care, childcare and education which too often means that women are forced to make up for cuts to these services through unpaid work is exacerbating the Cost-of-Living Crisis in Northern Ireland (NI).

Introduction

NI has significant long-term socio-economic issues which have not been addressed. The commitment to introduce an Anti-Poverty Strategy contained in the Northern Ireland Act 1998 has never been fulfilled. Since the Belfast/Good Friday Agreement, the NI Executive has been in a state of collapse for 40% of its existence, which has significantly constrained their powers to tackle the barriers that women face to achieving financial security.

Social Security & Debt

The safety net provided by the social security system has been weakened by a decade of welfare reform changes. Cuts to social security benefits affect women more than men because of their generally lower income, longer lives and greater caring responsibilities.

Despite being uprated in line with inflation, benefit levels fall far below what is required for people to meet their

basic needs. In response to the Cost-of-Living Crisis, the Government introduced a number of cost-of-living payments, which provided temporary relief but are not a long-term solution to poverty.

As women's incomes are generally lower over their lifetimes this leaves them more vulnerable to short-term financial problems or income shocks making them more likely to have to rely on borrowing and debt to make ends meet.

Women's Regional Consortium (WRC) research found that many women's debts had arisen simply to make ends meet or to fund essential items due to inadequate levels of income either through social security benefits or in low-paid work. High cost borrowing was prevalent and there were some examples of paramilitary lending. The research found strong links between debt and mental health problems.

Caring Responsibilities

NI is a low-income economy with high levels of economic inactivity. The consequences of this impact predominantly on women as carers, who are provided with little in the way of support for their caring responsibilities.

Against the backdrop of the Cost-of-Living Crisis squeezing already tight incomes, childcare costs have spiralled. Families in NI already experience difficulties affording childcare as there is no Childcare Strategy or Government funded childcare provision.

There are over 220,000 people providing unpaid care in Northern Ireland and there is substantial evidence of poor outcomes for unpaid carers, who are predominantly women. Research has shown that 25% of unpaid carers in NI are living in poverty.

Mental Health

NI faces very specific problems in respect of mental health as a post-conflict society. Research shows that women are often more vulnerable to suffering from poor mental health. In addition, mental health problems are higher in the most deprived areas.

Poverty has a cumulative negative effect on people's health throughout their life meaning that children living in poverty are more likely to suffer from poor physical health and three times more likely to suffer from mental health problems than children who are not poor.

Access to Essentials

The combination of high food and fuel prices is particularly toxic for low-income families as these essentials represent a higher proportion of lower-income household spending.

Food inflation is a significant concern for women as research shows that women are more likely to have the responsibility for cooking, preparing and shopping for food than men.

Research shows that 34% of households in NI are in fuel poverty, with more women in the research reporting being worried about heating their homes and fuel costs.

Importance of Women's Centres

Community groups including Women's Centres have become crucial anchors in the Cost-of-Living Crisis. Despite growing demand for their services they face problems with insufficient and short-term funding.

Women's Centres provide a range of services to low-income women including childcare, access to advice and information, food and foodbank vouchers and help with clothing, furniture and other household goods. They have been recognised as safe spaces and provide valuable opportunities for friendship and social inclusion, health and wellbeing support including for mental health as well as the chance to share information and access other sources of help/signposting.

Findings

The findings of this research paint a stark picture of life for low-income women in this Cost-of-Living Crisis. They show a life filled with cold, hunger, debt, anxiety and concerns about their future and the future of their children with little hope of things changing for the better. Most of the women reported feeling the effects of the Cost-of-Living Crisis on their most essential bills particularly food and energy. The research shows the Cost-of-Living Crisis is having a grave impact on women, their children, families and communities.

Key Points

- ♀ 91% of the women said they had difficulty paying their bills as a result of cost of living increases.
- ♀ 75% said they were having the most difficulty paying for their food shopping, 73% said electricity, 52% gas, 38% travel costs, 34% internet bills, 30% home heating oil and 27% school costs.
- ♀ 90% said the price increases which had the biggest impact on their household budget were energy bills and 89% said food bills.
- ♀ 56% were in debt and of these 82% said they had to borrow as a result of cost of living increases.
- ♀ 62% said they had been unable to save recently and 31% said their savings had decreased.
- ♀ 90% felt that the Cost-of-Living Crisis had impacted on their physical or mental health or both.
- ♀ Of those who had children, 78% felt that cost of living increases had negatively impacted on their children.
- ♀ 92% reported that cost of living increases had negatively impacted on their ability to take part in social activities.
- ♀ 78% said they felt cold or hungry or both as a result of cost of living increases.
- ♀ 41% needed to use a foodbank/other charitable support due to increases in the cost of living.
- ♀ Many of the women were skipping meals, living in cold homes and going without other necessities such as clothing to protect their children and families from financial hardship and poverty.
- ♀ Women placed great importance on the services and support provided by local Women's Centres not just in terms of material help but also with their mental health and wellbeing.

What women said:

“For food shopping I’m cutting out a lot of things I used to buy. We’re not eating as healthy because I have to buy cheaper food.”

“There are times I’ve went three or four days with very little to eat, maybe I’d grab an apple just so I have something in my stomach and I’m not going to bed with hunger pains and growling in my stomach.”

“I live off cereal or toast. My son is 17 months old and I’m starting to potty train him early to save money on nappies.”

“I had £400 saved and I had to go into it, it’s gone. I put it away as a fund for my oldest. It’s horrible going into your kid’s money, I feel so guilty about it but we had to eat.”

“I come to the Women’s Centre so I’m not putting my own heat on. I’m very grateful to the Centre it provides amazing support to me both in the things they do and being able to come here. It’s a safe and welcoming space.”

Recommendations

- ♀ We want to see the urgent development and implementation of a fully funded Anti-Poverty Strategy for NI taking into account the recommendations from the Co-Design Group.
- ♀ We support the recommendations from the Independent Review of Discretionary Support and want to see increased investment in this vital fund to address rising levels of financial hardship and the impact of the Cost-of-Living Crisis.
- ♀ We want to see increased investment in the social security system to allow claimants to meet their basic needs and live dignified, healthy lives. We support the Essentials Guarantee campaign from the Joseph Rowntree Foundation & the Trussell Trust to ensure the basic rate of benefits at least covers life's essentials and can never be pulled below that level.
- ♀ We support the recommendations from the Independent Review of Welfare Mitigations and the Cliff Edge Coalition's key asks around mitigating the two-child limit, resolving the five-week wait in UC and increased support for private renters.
- ♀ We support National Energy Action NI's recommendations to ensure price protections for home heating oil consumers and for the introduction of a new social tariff to help make energy more affordable.
- ♀ We support the Carers NI recommendation to introduce a Carer's Allowance Supplement Scheme to enhance the value of Carer's Allowance.
- ♀ We support the Childcare for All Campaign which is calling for a childcare system that is affordable, accessible, flexible, high quality, and which supports children's education and development.
- ♀ We recommend that Government should provide a long-term sustainable funding model which recognises the significant return on investment that Women's Centres provide to enable them to continue and develop the vital services they provide.

What women said:

"Anxiety, sleeplessness, stress, panic attacks. Due to constantly having the thought in your head about the next meal and worrying if the gas or electric is going to run out."

"I'm having to borrow for the way I normally live. I used to have a certain amount of money to cover my ordinary bills but that's not there anymore. I've another week until I get paid so I'll use my credit card to get whatever I need. It's all essential stuff, it's just for living."

"I don't understand them saying inflation is 10% sure the prices have doubled! Everything is going up more than that. Gas has at least doubled for me, I just can't get out of the emergency."

"Last week I had no money for gas whatsoever. I had to choose between gas and food. We had no gas for a week and it was cold."

The full report and summaries of **The Impact of the Cost of Living Crisis on Women in NI** produced by the Women's Regional Consortium & Ulster University are available from the Women's Regional Consortium website at:

www.womensregionalconsortiumni.org.uk/research/

June 2023

