

# THE SCOTTISH WOMEN'S CONVENTION



**REPORT**

**OCTOBER 2020**

## Introduction

Universal Basic Income (UBI) is a payment from the Government to cover basic income needs. It is paid to all citizens regardless of status or wealth. The introduction of such a system in Scotland needs to be discussed. The Scottish Women's Convention (SWC) undertook evidence gathering with women to capture their views on this topic. For many, the introduction of UBI is seen as a way of shielding them from poverty and inequality.

## Covid-19 and UBI

For most women, inequality in living standards has been starkly illustrated by the current pandemic, with the situation unlikely to change soon. A *“radical”* transformation is needed that values everyone in society equally. UBI could be looked upon as a resource to support women and help the economy recover from the crisis.

*“Lockdown has shown that the current system is not working. It needs a radical transformation to value everyone in society.”*

*“If we had something concrete like UBI, it would have saved money and health outcomes in the long run.”*

## A Universal Approach

Discussions around UBI have greatly increased in light of the current situation and are seen as *“extremely exciting”*. Elimination of poverty was the key argument for implementing such a system. Giving a decent standard of basic financial income on a universal scale is something *“that should not be seen as radical but right”*. The main arguments put forth included:

- The need for a decent level of financial security for women.
- The universal nature of a basic income is something that should form *“the basis of our human rights”*.
- The non-discriminatory aspect of UBI could ease the stigma around income from the state.
- Continuous reworking of social security at present means that for many women, someone will always stand to lose out. Debates as to who should and should not be entitled and an *“us verses them”* approach could be changed by a universal system.

*“The universality aspect is great. Everyone gets it and that allows people to have a basic level of security and safety that can give them the time to do other things.”*

*“Economics and finances have a disproportionate impact on women and UBI should inform that discussion as to how we make the economy work for women.”*

## **Social and Financial Security**

One of the major areas where UBI is seen as significant for women’s equality is in the realm of social security. This is particularly pertinent given continuous benefit cuts and the current unemployment situation. With women being disproportionately reliant on such economic means, a system by which money is released to everyone at a universal level was a way to relieve some of these issues.

- At present, unscrupulous employers are empowered to continue paying low wages knowing the Government can provide “top ups”. A UBI model could be used as an investment rather than these current methods.
- Given the universality of a basic income and no means testing, it has the potential to lift many people out of poverty. Current ways of working *“attributes an economic value to every human rather than seeing them as a human.”*
- UBI could be used to prevent high interest debt and help many women with financial difficulties.
- It would take away the risk of benefit sanctions for many women that can often signal a sharp spiral into poverty.
- Money currently spent on assessments for means testing benefits could be spent on more vital services for women.
- The universal nature of a proposed new system could be a solution to helping those most in need and *“putting everyone on the same footing.”*
- Social security procedures currently mean that women must complete long complicated forms. These can be extremely off putting and rely on certain levels of literacy, knowledge and understanding. This stops many getting what they are entitled to.

*“Often low paid jobs don’t give you enough to live on. The government has to give you money through credits, thus saving bad employers cash. It’s ridiculous!”*

*“There isn’t that stigma of people who are unworthy with UBI - considering the way things are with Universal Credit just now and all of the negatives around that.”*

*“Having benefits like Universal Credit and Carer’s Allowance require a financial assessment - it’s like measuring the caring you give. It takes out the human being aspect. It would take all that stress and expense of assessing out of it if we had UBI.”*

## Women's Equality

The personal impact that UBI would have on women was a major focus. Debates as to how the economy works for women should be informed by this to illustrate inequality within our society. This is particularly relevant for women who experience additional discrimination due to other protected characteristics. These women are more likely to face poverty and inequality. Benefits include:

- Personal financial security for women.
- The positive equality outcomes in areas where UBI has already been trialled.
- The security it could bring may allow women to escape from financial, physical or mental abuse.
- The potential for better mental health where the stigma of claiming benefits and financial worries are taken away.
- It may discourage underpaid or low-paid employment. By placing a value on women's work, this could empower them to be selective in their choice of employment.

*“What’s wrong with being a carer? It is one of the most rewarding jobs you can have. We need to start rewarding people for doing these jobs and valuing them through a system like UBI.”*

## Administration of UBI

Women talked about how such a system could be undertaken within Scotland and the benefits of particular ways of working. Economically, this could save public funds in the long run by integrating the benefits systems.

- Allowing for such a system to be administered as a lump sum rather than incremental amounts as social security is at present. This would ensure money can be spent in a way that guarantees the most value and aid women with financial issues.
- A lump sum would additionally help with the major problem of the “poverty premium” in Scotland. Some women currently avoid purchasing quality items that last longer. Instead, they have to opt for lower priced goods that continuously have to be replaced, costing more in the long term.
- A minimum lump sum reduces the likelihood of administrative errors.

## Poverty

UBI is seen as one of the most effective ways to lift women out of poverty. The current pandemic has seen a huge increase in the numbers of women and their families facing hardship. Many are calling for a reworking of our social security system. People need help in a dignified way as part of a strong and secure social safety net. Other benefits would include:

- Non means-testing would result in every citizen being given the same amount of income. This would stop the stigma attached to claiming benefits.
- The impact that such a system could have on women's unpaid caring responsibilities within families. At present, benefits such as Carer's Allowance dictate a woman's working hours and how much she can earn before qualifying for financial assistance.

*"We say people live in poverty, but they live in a system that's been created for them. It's not people that are the problem, it's the world we live in that makes it difficult to have their voices heard."*

## Impacts on Society

Women need to be considered by decision makers when introducing new policies. UBI is seen as being a key influence for many in stimulating the economy. Ensuring economic recovery is done in a way that accounts for women's equality is crucial to offset the disproportionate impact of the current pandemic.

- An overhaul of the current system is a way of *"changing the balance of power in society"* and alleviating the stigma around poverty.
- The benefits that would come with individuals being given extra funds which can then be put back into the economy.
- UBI would help to offset the large-scale recessional impact from the current pandemic.
- It could encourage greater civic participation by freeing up spare time and making people feel part of a community.
- UBI, if worked correctly, could encourage a rethink of the social security system from one that only has to provide the bare minimum to one that provides for a decent standard of living.

*"The financial aspect of UBI is just one side to it. It is also something that could bring equity into the communities we live in."*

*"If you give people money, they will spend it in their communities. This makes a difference."*

*"Imagine what it would mean for society if so many of us that worry about money right now and are just about managing could wake up and not have to worry about the basics."*

## **Additional Comments**

*“A Universal Basic Income would, for me, mean security. I would feel less like my job would have to be a lifeline and would preserve my well-being. It would mean that I would not have to keep a job that makes me unhappy, or that is managed unethically, just to keep my head above water (which I have had to do often and I really am most excited about the improvement of worker's rights if this was to go ahead). I would be able to work a little less in a week and invest more time in building my career in the creative industries. I would be able to volunteer again. I would be happier and healthier in these circumstances and would better be able to contribute to the community and the economy.”*

*“One of the most inspiring campaigns for me was the ‘Wages for Housework’ campaign that demanded women be paid for their work in the home, as it is exactly that - work. UBI would give women the financial recognition that they deserve for their unpaid work at home and in the community that contributes billions to both the Scottish and UK economies”.*

*“Many women are trapped in abusive relationships with no recourse to independent finance. This has been amplified by Universal Credit. Despite the offer of a split payment, the woman has to ask for this and that alone can be dangerous. Financial independence is a lifeline for women experiencing abuse and having UBI would help many access the help they need.”*

*“UBI would allow women a better choice over employment. If it is high enough to cover expenses, then people would not be forced into precarious jobs they do not want. It would further enable more women to access sectors of the economy they may not have been able to before - especially politics at a local councillor level. The part time salary for the full-time amount of work is not workable for many women who are more likely to be carers.”*

*“Ultimately, UBI would allow women to do what they want and have that little bit more financial security to do it - whether that's staying at home or pursuing a full time career, UBI would give us the ability to choose. That would be a benefit to the entire country.”*

*“UBI could be a game changer in tackling poverty for everyone, in protecting children and giving them the best start in life too. We know that women make up the majority of those in single parent families and are more likely to be in poverty. So why not do something proactive about that?”*

*“UBI isn't radical given the looming economic and social crisis we're heading into - it's sensible and urgent.”*

*“If we want to do more for women, the best thing we can do is give them access to a stable and guaranteed income and let them choose what they want to do for themselves.”*

*“I would like UBI because it sets a better baseline for human rights. We have the right not to starve. We have the right not to be destitute. For women specifically it would mean greater freedom to leave abusers and to leave jobs where there is sexual harassment.”*

## **Opposition**

The majority of women who responded to the SWC's consultation were in favour of the implementation of UBI. There were some respondents who were opposed, however, and their comments included:

- A universal system of *“money for free”* gives people remuneration for doing nothing.
- Such a policy would encourage people to give up work.
- The concept of payments being made to everyone would place a higher tax burden on those who work and give more income to others who do not pay taxes.
- Conversely, UBI could see current social security potentially being cut. This means higher earners are given money they do not need which should be going to those living in hardship
- There are potential pitfalls where certain groups will more than likely be overlooked, such as refugees or asylum seekers. Given the vulnerable status of such groups and the likelihood of poverty, this is a serious issue.
- Governments could cut certain benefits further, leaving the most vulnerable with even less to live on.

## **Thank You**

Thank you to the women who joined our online discussions, as well as those who contributed to the discussion via our online survey and by email. The information contained in this report will be forwarded to local and national decision makers for their consideration.

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Please note our staff are working from home in current circumstances.

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