

NORTHERN IRELAND WOMEN'S BUDGET GROUP (NIWBG) FOR A LOW-CARBON ECONOMY

September 2023

The Northern Ireland Women's Budget Group (NIWBG) is made up of organisations and individuals from the women's sector, trade union movement, academia and wider civil society in Northern Ireland, with the aim of implementing a gender equal economy. The members of the NIWBG scrutinise policy and budgetary matters with a gendered lens to bring attention to the different ways in which women and men are affected by government-level decision-making. It aims to provide policy- and budget-makers with policy analysis to secure substantive equality for women and men through the assessment of gender impact.

The NIWBG works with a range of organisations in Northern Ireland on devolved issues and with sister organisations in Wales, Scotland, England and Ireland on East-West and North-South issues.

If there are any questions or comments regarding this brief, please direct them to the Coordinator for the NIWBG, Alexandra Brennan (info@niwbg.org).

Introduction

Embedding concepts and commitments like a just transition, alternatives to 'growth'/GDP, the UN's Sustainable Development Goals (SDGs), and gender budgeting will be key to the success of our transition to a low-carbon, sustainable economy. Education and skills attainment is also crucial in meeting pre-existing and emerging needs in the labour market as we move to low-carbon, low-material footprint sectors. The NIWBG advocates for a caring, green, gender-equal economy for Northern Ireland, and these factors are all interlinked - we cannot have a caring economy without achieving gender and climate justice, and vice versa. Therefore, we promote legislation that is ambitious not only in preventing climate change, but in promoting a more sustainable and equal future for the people of Northern Ireland.

Just Transition

According to economist Anne Pettifor, a 'just transition' is a transition that "will make sure that workers do not pay the price for the economy's transformation away from dependence on carbon and other greenhouse gas emissions." The NIWBG would go one step further, wanting a just transition that would ensure those who contribute to the economy in any way – both in paid and unpaid work – are not impacted as we collectively move to a lower carbon economy. The inclusion of a just transition can mitigate the human and economic costs of such a drastic change, generate employment in existing low-carbon sectors and create jobs for new and emerging low-carbon sectors.

Alternative to 'Growth' and GDP

In order to successfully transition to a low-carbon, sustainable economy, we must combat our fixation on growth and over-consumption. The issue with the concept of 'growth' is that it goes against one of the most basic laws of physics - energy cannot be created or destroyed, only transformed. Nicholas Georgescu-Roegen, an economist and mathematician, made the connection between the first law of thermodynamics and the economy: "For Georgescu-Roegen, the terms 'production' and 'consumption' obscure the fact that nothing is created and nothing is destroyed in the economic process: everything is simply transformed."²

The "ideology of endless expansion" is at odds with the finite nature of our ecosystem, and using Gross Domestic Product (GDP) as a tool to measure economic health not only contradicts this fact, but it does not come close to accurately describing the health of an economy. GDP is meant to measure the total value of goods and services produced and collective income and/or expenditure³. However, this paints a very limited picture of all of the elements that make up our economy and does not factor in well-being, equality, issues around disparity, environmental degradation/improvement, health, education, etc.

¹ Anne Pettifor (2019). The Case for the Green New Deal. pg. 17.

² Anne Pettifor (2019). *The Case for the Green New Deal.* pg. 109.

³ Bank of England (2019). What is GDP? (https://www.bankofengland.co.uk/explainers/what-is-gdp)

While we move sectors and people into a more sustainable and green society, we must also update our understanding of the economy and its interactions with people and planet. Prioritising a measurement like the Genuine Progress Indicator (GPI) over GDP would be a positive move away from centring an economy around 'growth'. The GPI uses 26 indicators to determine economic health that take into account aspects like income inequality, non-market benefits that are not measured in GDP, negative impacts to people and planet such as the state of the environment, loss of leisure time, and health effects⁴.

UN's Sustainable Development Goals

Northern Ireland must play its part in achieving the 17 Sustainable Development Goals (SDGs) by 2030 and to meet the goals, investment in both social and physical infrastructure is required. Many approaches towards a just transition touch upon ways in which physical infrastructure will change. However, the lack of importance given to changes needed in areas of social infrastructure and systemic inequality will hinder the ability to tackle barriers to multiple SDGs as well as a transition to a low-carbon, sustainable economy. As noted in the SDGs, "...ending poverty and deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth - all while tackling climate change and working to preserve our oceans and forests." This approach must facilitate collective and cross-departmental working.

STEM and Apprenticeships

In STEM sectors, there is a great gender imbalance – the low representation of women in these positions can be traced back to a gender imbalance in attainment of STEM-based skills. Many incoming low-carbon sectors that will be receiving investment to transition will be in STEM - for this reason, addressing gender imbalance is essential.

Gender segregation in the ApprenticeshipsNI and HLAs is a stark example of why it is important that concerted efforts are made to equalise STEM sectors. This is evident when looking at the estimated GVA for participants – for men, it is £78,400 per participant; for women, it is less than half of that amount at £35,900 per participant⁶. Additionally, the 'Engineering' ApprenticeshipsNI programme had a breakdown of 98% male participants versus 2% female participants, and the 'Engineering & manufacturing technologies' and 'Science & mathematics' HLAs have a breakdown of 90% male versus 10% female participants and 57% male versus 43% female participants, respectively⁷. The NIWBG supports efforts to rectify gender imbalances in STEM, and we recommend that solving gender inequality and low pay in ApprenticeshipsNI and HLAs are the foundations of this work.

⁴ Maryland Department of Natural Resources (2022). *Maryland's Genuine Progress Indicator*. (https://dnr.maryland.gov/mdgpi/Pages/what-is-the-GPI.aspx)

⁵ UN (2021). The 17 Goals. (THE 17 GOALS | Sustainable Development (un.org))

⁶ Ballantine, J., Rouse, M. and Gray, A.M. (2021). *Gender Budgeting: Working Paper 2: Case Study: Apprenticeships in Northern Ireland.* (Gender Budgeting-2.pdf (ark.ac.uk))
⁷ Ibid.

Care

Investment in STEM, particularly women in STEM, will be key in securing a thriving economy in the next ten years. However, attention is needed in other skill areas to achieve a low-carbon and inclusive economy. Care is one of the most essential sectors of our economy – though undervalued long before the pandemic, the halting of paid and unpaid caring services due to the pandemic brought the economy to a stop in March 2020.

The 'paid' care sector is synonymous with low pay, part-time and precarious work, with women disproportionately working in the sector. The unpaid care sector, due to lack of proper support, negatively impacts on the carers' ability to do paid work and can be an emotional burden on the carer⁸. The pandemic and the cost-of-living crisis have only exacerbated these pre-existing conditions. Care cannot be automated, it is low-carbon, and predominantly employs women. To properly prepare for the impending skills crisis in care, a just transition needs to have action plans aimed at increasing development and investment in skills associated with care.

Another important aspect related to skills attainment is that, without proper childcare provision, many women will not be able to participate in skills attainment, upskilling, and/or reskilling schemes. A just transition must ensure that women will not miss the opportunity to develop their skills due to the lack of accessible and affordable childcare, as this is already a barrier to women's education and employment.

A Caring, Green Economy

Investing in the care sector can help achieve a successful transition to a low-carbon economy while strengthening our essential services and enhancing our communities and places. It is crucial that this strategy positions adult social care and childcare as not only an essential service but a sector that should be prioritised when it comes to investment.

By investing in a caring, green economy, as outlined by the Commission on a Gender-Equal Economy's report, *Creating a Caring Economy: A Call to Action*⁹, the strategy could tackle systemic inequalities while fulfilling the outlined objectives. The Commission's report provides eight steps to securing a caring, green economy:

- 1. Re-envision what we mean by 'the economy' The pandemic demonstrated how central care, both paid and unpaid, is to our economy. We need to reassess the economic value of care to reflect its importance to the maintenance of the economy.
- 2. Invest in social and physical infrastructure It is crucial that investment social and physical infrastructure is cognizant of diverse needs and promotes equality and sustainability.

⁸ Women's Policy Group NI (WPG) (2021). NI Covid-19 feminist recovery plan: Relaunch – one year on. (WPG-COVID-19-Feminist-Recovery-Plan-Relaunch-One-Year-On.pdf (wrda.net))

⁹ Commission on a Gender Equal Economy (2020). Creating a caring economy: a call to action. (WBG-Report-v10.pdf).

- 3. Transform the worlds of paid and unpaid work This would require not only prioritising investment in STEM, but fixing low-pay and precarity in other valuable sectors. This would help correct gender inequalities in the labour market and gender imbalances in the sharing of paid and unpaid work.
- 4. Invest in a caring social security system which is based on dignity and autonomy This step must be addressed to alleviate pressure on paid and unpaid carers and mitigate an impending care crisis.
- 5. Transform the tax systems across the UK While this step lies outside the remit of devolved powers, the NIWBG would advocate for progressive tax reform at the Westminster level to produce revenue to be invested in a stronger social security system as well as in social and physical infrastructure.
- 6. Refocus the overall fiscal and monetary policy framework to build a caring economy The NIWBG would advocate for fiscal and monetary policy at the Westminster level that promotes gender equality, well-being and sustainability.
- 7. Work to develop a global trade system that is socially and environmentally sustainable The NIWBG wants to ensure that post-Brexit trade does not cause a degradation of human rights, environmental and labour standards. Ensuring that public services are excluded from trade and investment deals is also crucial to securing a caring, green economy in Northern Ireland.
- 8. Work to transform the international economic and financial system It is necessary that caring, green economies are adopted worldwide to achieve significant change regarding equality and sustainability.

The recommendations from the Commission's report are echoed in the content of the Women's Policy Group's Feminist Recovery Plan¹⁰, which was fully updated and relaunched in July 2021. The NIWBG believes it is crucial that the content of the Commission's report and the Feminist Recovery Plan inform the transition to a low-carbon economy.

Gender Budgeting

Equality and human rights must be at the heart of the transition to a low-carbon economy, and the application of gender budgeting is crucial to a successful just transition. Gender responsive budgeting tools can help recognise systemic disadvantages and lead to budgets and policies that promote greater gender equality. If implemented, policymakers would have to consider the gendered impacts of spending and revenue raising decisions and how to use these mechanisms to bring about gender equality. Women's intersecting identities are also included in this analysis and policymakers are expected to promote these areas of equality as well.

A scoping study¹¹ commissioned by the Equality Commission considers how gender budgeting tools can be used in meeting Section 75 requirements and how the international models have useful application in Northern Ireland. Quinn concludes that applying impact

¹⁰ Women's Policy Group (WPG) (2021). *NI COVID-19 Feminist Recovery Plan: Relaunch - One Year On* (WPG-COVID-19-Feminist-Recovery-Plan-Relaunch-One-Year-On.pdf (wrda.net))

¹¹ Quinn, S. (2013). Equality Responsive Budgeting (Equality Responsive Budgeting (equalityni.org))

assessment processes to mainstream gender equality is '...a worthwhile enterprise, both in terms of the recognised demand for a deeper application of the Section 75 duties to the budget process but also in terms of the wealth of methodologies associated with gender responsive budgeting which are adaptable to the Northern Ireland context' and 'vital [at] all levels of government ... as a means of fulfilling Section 75 duties.'

Gender budgeting is transformative, assists in transparency and accountability, and is of value in delivering economic benefits, equality and rights, and securing sustainable peace. Because of this, plans for a just transition must be embedded in gender responsive budgeting mechanisms. To make a successful transition to a low-carbon economy and response to the climate crisis, a just transition must be at the core.