Coping with Change and Uncertainty: Scotland’s Equalities Groups and the Recession
COPING WITH CHANGE AND UNCERTAINTY: SCOTLAND’S EQUALITIES GROUPS AND THE RECESSION

Review of Scottish data, literature and fieldwork 2009-2010, exploring the impacts of the recession and its consequences for equalities individuals and groups

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with contributions from ScotCen, Glasgow Council for the Voluntary Sector and Napier University Employment Research Institute

Scottish Government Social Research
2010
The views expressed in this report are those of the researcher and do not necessarily represent those of the Scottish Government or Scottish Ministers.

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Executive Summary

Introduction

1. This research was conducted by the Scottish Government to review the impacts of the recession and its consequences on Scotland’s equalities groups. The research adopts the concept of ‘resilience’ to inform exploration of people’s capacity to ‘cope’ with the impacts of changes associated with the recession. The research also explores uncertainties associated with the recession and its consequences and considers the impact that uncertainty about public service adjustments may have on equality groups.

2. The key questions guiding this research are:
   - are there differential impacts of the recession to be alert to?
   - is hard-won equalities progress being lost as a result of the recession and the changes that have taken place and those that are anticipated?
   - how well placed are individuals and groups to ‘cope’ with potential prolonged uncertainty or austerity?
   - do we know, from past recessions, whether ‘budget adjustment measures’ impact differentially on equality groups? Can we benefit from hindsight?

Policy context

3. This research was commissioned and commenced before the UK election, when concern was more about the recession itself than with how a UK Government might address a budget deficit. The context within which the research is being published (following the 2010 UK Spending Review) is therefore quite different from when it was commissioned.

Scope

4. This research provides a ‘snapshot’ view of some of the impacts of the recession on equalities groups in Scotland in 2010. The report brings together a range of evidence; recent Scottish quantitative and qualitative evidence about the recession and its impact, along with a brief review of the literature on resilience and on lessons learned from previous recessions about the impact on equalities groups.

5. The qualitative element of the research is small-scale, providing a breadth of evidence about a small number of disabled people’s experiences, giving voice to their views and concerns. The research team decided to interview disabled people as they may be vulnerable to more than one impact of the recession and changes in public spending (for example changes to public service employment, changes to income through benefits and changes to service provision) and be more likely therefore to have experiences and views to share about the early impacts of change. Given the diversity of disabled people in terms of age, gender, class, ethnicity, type of impairment and so on, we do not claim that this research accurately captures the full range of experiences and concerns that disabled people in Scotland have in relation to the recession. It is also worth noting, however, that many of the topics discussed and the concerns raised are likely to be applicable to people who are not disabled although this research does not attempt to reach conclusions about this.
Methods

6. The research employed a mixed method as outlined here. Desk based research was conducted to analyse:
   • available statistical data on GDP, redundancy rates, employment rates and data about how well people are coping financially;
   • a selected sample of available literature about resilience and about the impact of previous recessions on equalities groups.

7. As mentioned above, the qualitative research was conducted with individuals and organisations likely to be vulnerable to the changes being brought about by the recession. 2 workshops were conducted with representatives from voluntary sector organisations and 13 in-depth interviews were conducted with disabled people to explore current views and experiences of the recession.

8. The various elements of the research are brought together in chapter 6, which presents conclusions from across the evidence presented in the rest of the report.

Main findings

9. The recession (chapter 2):
   • After a shorter and shallower recession than the UK as a whole, the Scottish economy emerged from recession in the last quarter of 2009.
   • Analysis of previous UK recessions, in particular the 1980s recession, shows that there can be a lag between the deterioration in economic output and general labour market indicators. However, this has not been the case during the current downturn, where unemployment started to increase in line with the contraction in output. A lag has also been observed in previous recessions between the return to growth in output and an improvement in labour market indicators.
   • Unemployment in Scotland over the 3 month period June – August 2010 was still rising, with an increase of 13,000, whilst unemployment levels increased by 37,000 over the year.

10. The impact of the recession on equalities groups (chapter 3):
   • unemployment among young people increased faster than for other age groups during the recession.
   • many young job-seekers have low levels of financial resilience, low skill levels and little experience of work.
   • EHRC forecasting predicts that employment rates for under 24s will fall more than for other age groups and in Scotland will continue to fall until beyond 2013.
   • between April to June 2008 and April to June 2010 the Labour Force Survey recorded increases among the following groups:
     o An extra 112,000 unemployed people. These were 65 percent male.
     o An extra 26,000 people who were economically inactive due to looking after the family home. These were 76 percent female.
   • EHRC forecasting predicts that in Scotland the recovery of employment is predicted to be slower than in other regions and slower for women than men.
between 2007 and 2009 the ethnic minority employment rate in Scotland fell by 8.5 percentage points. This was greater than the comparable drop across the whole population of 2.1 percentage points. This drop came against a background of increasing employment rates for ethnic minorities. The observed drop in 2009 returned the employment rate to around the 2005 level.

Labour Force Survey figures show that unemployment among those with work-limiting disabilities rose at the beginning of the recession.

most disabled adults in Scotland are economically inactive. That is they are not in work, nor looking for work.

EHRC forecasting predicts that in Scotland the employment recovery for those with work-limiting disabilities will be slower than for other groups, and slower than for the same group in England.

11. Current experiences of the recession (chapters 4 and 5):

It is important to understand the cumulative impact of the recession on people’s experiences in relation to employment, income, services and relationships.

In many respects the recession is simply worsening existing inequalities and discrimination for particular equality groups, rather than creating wholly new problems.

There is considerable uncertainty about precise outcomes – particularly in relation to the scale and focus of future cuts to public spending, and the outcomes of the forthcoming elections that will take place between 2010 and 2012.

There are a wide range of areas where disabled people either feel they have already been affected by the economic downturn, or have serious concerns about the future. A number of the issues raised are not unique to disabled people – more competition for fewer jobs, possible redundancies, and uncertainty about the impact of changing public sector budgets on employment, benefits and services, are all issues that are likely to be worrying many other people in Scotland.

Interviewees felt the impact of the recession on disabled people was exacerbated by the barriers they already faced. Further, in some areas the recession has the potential to increase these barriers, and thus put disabled people at an even greater disadvantage relative to the rest of the population.

Services are particularly important in terms of both supporting disabled people to live independently and enabling them to participate fully in society. Home care and targeted employment support services clearly play a key role here, but so too do transport, advice and information (including alternative formats), and educational, sport or leisure activities provided through specialist day centres and other organisations.
Conclusions (chapter 6)

12. In the same way as certain individuals and groups are positioned to thrive in times of prosperity, so are we unevenly positioned to ‘cope’ in times of economic difficulty.

13. This recession threatens to deepen existing inequalities, further distance certain individuals and groups from opportunity and prosperity, and even create new inequality as differential impacts take hold.

14. In particular, young people with few skills are likely to be differentially and adversely affected by the displacement of opportunity in the course of this recession.

15. It appears that individuals and households furthest from the workplace are of low resilience in terms of financial capability and skills, and generally do not consider themselves to be ‘coping well financially’ either.

16. Disabled people, the low skilled and young unemployed have suffered a more substantive ‘set back’ in this recession, and carry fewer ‘protective factors’ into the future in order to reclaim ground.

17. Adopting a person-centred approach to service delivery allows better consideration of an individual’s multiple equality characteristics. The way in which services are adjusted or cut may inadvertently deliver several, layered differential and negative impacts on one individual.

18. There is deep anxiety and uncertainty based on a lack of information and consultation about how changes to funding will affect service users and their families.

19. Scotland’s public sector represents more equal employment opportunity than other sectors: budget adjustment consequences here need to be understood for their differential impacts on equality individuals and their households, and for the overall impact on Scotland’s progress on inequality. As such, the public sector represents the best opportunity to redress inequalities that are deepening elsewhere in the workforce.

20. It is important to maintain investment in the protective factors that deliver resilience to equalities groups (financial capability training, bank accounts, encouraging saving, skills training, confidence raising, widening access to opportunity).
1. SCOPE OF THE STUDY

Introduction

1.1 This paper sets out the evidence gathered to review of the impacts of the recession and its consequences on Scotland’s equalities groups. The study has been a response to enquiries about the various impacts the recession has had (and may yet have) on individuals, groups and communities who are ‘vulnerable’ to hardship by virtue of their equalities characteristics. The study aims to explore the capacity to ‘cope’ with the impacts of changes and uncertainties associated with the recession and its consequences, in order to highlight those investment policies that underpin long-term delivery of better individual and community resilience. The study then considers the impact that uncertainty about public service adjustments may have on equality groups, and so the ‘recession’ focus of the early stages of the study has evolved into a consideration of ‘change’.

1.2 The study developed initially to understand whether the recession was having a differential impact upon certain individuals and groups with ‘protected characteristics’ that equalities legislation guides us to be mindful of. This raised questions such as:

• are women affected differently from men?
• are older or younger workers affected differently from those in the ‘middle’ working age groups?
• are ethnic minority workers and populations experiencing the recession differently?
• how are disabled people (and those who care for them) being affected, and
• are there any religious, lesbian, gay, bisexual or transgender (LGBT) issues to be aware of?

1.3 The key questions guiding our enquiry have been:

• are there differential impacts to be alert to?
• is hard-won progress being lost as a result of the recession and the changes that have taken place and those that are anticipated?
• how well placed are individuals and groups to ‘cope’ with prolonged uncertainty or austerity?
• do we know, from past recessions, whether ‘budget adjustment measures’ impact differentially on equality groups? Can we benefit from hindsight?

1.4 As with most equalities analysis in Scotland, the data does not lend itself to complete description or explanation (due to sources and samples) and what we’ve been able to gather from statistical sources is partial and exploratory. We have therefore designed qualitative elements to explore the extent and nature of key issues (if not the depth of these).
1.5 Also, the context within which this study is reporting these findings (after the Comprehensive Spending Review, following the first budget of the Coalition government) is quite different from that when it was commissioned (before the UK General election, when concern was more about the recession itself, than with how a UK Government might address a budget deficit). The evolving design of the study reflected this shift in emphasis.

**Scope of the study**

1.6 The study has adopted the concept of ‘resilience’ to explore how individuals and groups are positioned to cope with the recession and its consequences. This is a ‘light touch’ adoption of this concept, deployed to help frame this equalities analysis discussion, rather than necessarily offering a conceptually robust argument with the existing academic resilience discourse. Chapter 2 presents this context along with a brief description of the recession in Scotland to date. We also provide a brief summary of recent key UK ‘inequality’ reports, to offer some broader context for consideration.

1.7 Chapter 3 summarises a brief review of available literature into ‘lessons learned’ from analysis of previous recessions on equalities impacts. Again, working from limited material, it is clear that certain individuals and groups stand to bear a differential impact of both recession and budget cutbacks, than others. Chapter 3 then goes on to outline the most recent available (at the time of writing) Scottish data about the impact of the recession on different protected groups – age, gender, race and disability. It explores the experiences of these groups in employment and looks at whether they are coping financially. It also presents data on some (resilience) factors, which may help people to cope when faced with a recession and potential unemployment; whether people have savings and whether they have qualifications.

1.8 Gauging whether this data analysis ‘rang true’ with those working with Scotland’s equalities groups, we gathered two workshops of stakeholders in February and March of 2009. Chapter 4 reports on these workshops, identifying the nature of the impacts stakeholders identified, but also analysing their expressed concerns about changes to public services and the impacts these would have on how people ‘cope’.

1.9 Finally, chapter 5 presents the analysis from a series of interviews held in Scottish households with a disabled adult. These were designed as a ‘lens’ through which to see the existing and anticipated impacts of recession and austerity measures on day-to-day lives. This element of the study is designed to ‘spotlight’ certain vulnerable households, and to illustrate how it is a

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1 Currently there is insufficient evidence on the impact of the recession by sexual orientation or religion to support extensive analysis. The information we do have does not indicate that either group is likely to experience particularly adverse impacts. The groups selected are also those considered in the Equality and Human Rights Commission (EHRC) recession study by Hogarth *et al* 2009: [http://www.equalityhumanrights.com/uploaded_files/research/47_the_equality_impacts_of_the_current_recession.pdf](http://www.equalityhumanrights.com/uploaded_files/research/47_the_equality_impacts_of_the_current_recession.pdf)
combination of individual, household and community action and resources that support ‘coping’.

1.10 We conclude with summary observations about the ways in which Scotland’s equalities groups’ ability to ‘cope’ are likely to be affected by prevailing uncertainty and forthcoming changes to the public service delivery landscape.
2. CONTEXT SETTING: THE RECESSION AND RESILIENCE

The recession

2.1 This section presents a summary of the recession which sets the context for the remainder of the paper. The 2008-2009 recession was the first period of sustained negative economic growth in the UK for upwards of 15 years. The onset of the recession resulted in a wide range of impacts on Scotland. The more general effects of the recession are now considered as well as similarities and differences between this recession and previous downturns.

2.2 The origin of the current recession is different from other post-World War II recessions. From Summer 2007, the global economy experienced two powerful external shocks: the international financial crisis, which resulted in a tightening of credit conditions; and a severe commodity-price shock (which started to ease in late 2008). These shocks, in particular the financial crisis, eventually resulted in a dramatic fall in world trade which led to most advanced economies moving into recession.

2.3 The first phase of the financial crisis was driven by problems in the US sub-prime mortgage market. This impacted negatively on the balance sheets of financial institutions in many advanced economies, and led to a severe tightening of credit conditions around the globe. The viability of many banks and financial institutions was threatened, and banks themselves cut lending severely in attempts to repair their balance sheets. Without credit, businesses were left with no alternative but to reduce output and employment.

2.4 This precipitated a systemic financial crisis and the collapse or near-collapse of several of the world's largest financial institutions, some of which were only saved from bankruptcy by bail-outs from national governments. Rescue packages were adopted in most advanced economies in an attempt to bring stability to the financial system and to mitigate the impacts of recession.

2.5 Whilst the stabilisation packages re-established a degree of stability, the intensification of the financial crisis led to a further deterioration of global credit conditions. As a result levels of confidence declined, which resulted in a collapse in world trade flows, and led to a global recession across all the advanced economies.

2.6 After a shorter and shallower recession than the UK as a whole, the Scottish economy emerged from recession in the last quarter of 2009. Economic output fell by 5.7% in Scotland over the course of the recession compared to an equivalent fall of 6.4% for the UK as a whole.²

² http://www.scotland.gov.uk/Topics/Statistics/Browse/Economy/GDP/Download and http://www.statistics.gov.uk/statbase/tsdtables1.asp?vlnk=pn² (UK GVA series, which is equivalent to the Scottish series, has been used for this analysis. The headline UK GDP series shows a total contraction in output of 6.5% during the recession)
2.7 The most recent statistics show that the Scottish economy grew by 1.3% in the second quarter of 2010, following a decline of 0.2% in 2010 Q1.

Graph 2.1 - Gross Domestic Product (GDP) and unemployment: UK and Scotland

2.8 UK economic growth remained negative for the first 3 quarters of 2009, but UK output rose by 0.5% in the last quarter of the year, by 0.3% in the first quarter of 2010, and by 1.2% in the second quarter of the year.

2.9 Analysis of previous UK recessions, in particular the 1980s recession, shows that there can be a lag between the deterioration in economic output and general labour market indicators. However, this has not been the case during the current downturn, where unemployment started to increase in line with the contraction in output. A lag has also been observed in previous recessions between the return to growth in output and an improvement in labour market indicators.

2.10 Unemployment in Scotland over the 3 month period June – August 2010 was still rising, with an increase of 13,000, whilst unemployment levels increased by 37,000 over the year. However, employment in Scotland increased by 10,000 during June-August 2010, and during the current downturn an improvement in employment seems to have arrived somewhat earlier than what would have been expected given trends in previous recessions.

2.11 Part-time work remains at near record levels of 7.96 million across the UK in June-August 2010. This figure includes 1.14 million working part-time either

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because they could not find a full-time job, or because of reduced available working time or because people who were unemployed/inactive are moving into the labour market due to financial necessity. These levels are amongst the highest levels seen since this series began to be recorded in 1992. Compared to the situation a year previously, all employees (full and part-time) are working 31.7 hours/week rather than 31.5, and 71.8% of workers, compared to 72.6% a year earlier, were working a usual week of more than 30 hours.

2.12 If workers are made redundant, firms may logically choose to lay off workers with the lowest economic productivity and most easily able to be recruited when the recession ends\(^4\). Since skill level is directly related to economic productivity, the workers laid off tend to be those with lower skill levels and hence lower wages. This would have the effect of increasing income inequality, as those employees in high-skill, high-wage jobs are more likely to retain their employment compared to those in lower wage jobs, albeit while undergoing a wage freeze/cut, reduction in hours or other action on the part of employers to reduce costs during the recession.

2.13 That more workers than in previous recessions have been retained some form of employment in the UK (given the relative size of the decline in UK output during the current downturn) suggests that the effects of the recession on income inequality across the UK might be less than in previous downturns. Direct comparisons are not possible, owing to lack of data, and changes to the fiscal system since the last UK-wide recession finished in 1992. However, given that the recession featured many redundancies in highly paid jobs in the financial sector, together with the mitigation of employment effects as discussed previously, means that the expected income inequality effects could be reduced. The differential UK-wide redundancy rates in financial services, as opposed to the service sector generally is shown on chart 2.2 below (Source: Office for National Statistics (ONS)).

2.14 These trends, however, must be treated with caution, as they do not show the success rates of finding a job after being made redundant across sectors and skill levels. It can be argued that many of those made redundant in the financial sector are highly skilled and are, therefore more employable than those made redundant in other sectors. There is also a potential displacement effect that may arise. If as a result of the recession, and the resulting increase in competition for jobs, those with higher skills moved into jobs which require lower skill level, they may have push out those candidates who would have otherwise been recruited to these positions. Such displacement would have a knock on effect, eventually impacting those with the lowest skill level.

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\(^4\) Although firms may use other methods to make these decisions: perhaps initially making staff on temporary contracts/casual staff redundant, then apply ‘last in-first out’, or encouraging older workers to take early retirement.
2.15 A final point to consider with regard to Scottish resilience and the recession is the relatively larger size of the public sector in Scotland, compared to the UK as a whole. The public sector is not, in the short-term, as vulnerable to the effects of a recession as the private sector – for example, to date the majority of the decline in employment has been concentrated in the private sector. The larger Scottish public sector (24.7% of total employment in the second quarter of 2010, compared with 21.0% in the UK as a whole)⁵ may therefore have played a role in insulating the Scottish economy to an extent during the recession, and preventing unemployment increasing to a higher level than would otherwise have been the case.

2.16 However, as the UK Government look to move the UK public finances back towards balance, as outlined in the recent Comprehensive Spending Review, there will be an employment effect if staffing levels in the public sector are reduced as a result of this action. In addition to any potential direct public sector employment effects, as the public sector is an important consumer (through its purchases of goods and services from the private sector) in the economy, any reductions in spending are also likely to impact on the private sector. For example, recent analysis by PricewaterhouseCoopers⁶ (PwC) estimates that in addition to the declines in public sector employment, as a result of the reductions in spending to implemented by the UK Government, employment in the UK private sector could also fall by around half a million (468,000) by the end of the Spending Review period in 2014-15.

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The figures include employment in the public sector financial institutions.
2.17 Greater employment in the public sector in Scotland could lead to some of the adverse effects of reduced employment being larger in Scotland than relative to the UK as a whole. However, the size and nature of any impacts will be dependent upon decisions taken by Scottish ministers and Parliament with regard to the 2011-12 and subsequent budgets.

**Resilience**

2.18 The concept of ‘resilience’ offers a useful conceptual framework to explore and understand how certain individuals and groups ‘cope’ (or not) with adversity. We apply it lightly in this study, drawing on the tenets briefly discussed below.

2.19 As Burchardt and Huerta (2008) outline, there are some individuals in life, that despite living in tough environments and experiencing other hardships are known to ‘buck the trend’. That is, they are not dragged down by adversity or circumstance. A great deal of research has been conducted in an effort to understand this phenomenon of resilience - looking at why some flourish when others flounder.

2.20 The word resilience means ‘to jump back’ (Manyena 2006). One common feature in all the definitions is that resilience is the ability to bounce back to one’s original form or condition after experiencing a shock or upset.

2.21 Much of the literature about resilience comes from social psychology and psychiatry. Garmezy and Rutter (1983)7 and Werner and Smith (1988)8 completed key empirical pieces of work looking at resilience and how it manifests itself within cohorts of children over a period of time. The approach to resilience research has developed over the years. In addition to looking at an individual’s reaction to adversity and risk factors, it now incorporates social and economically stressful experiences too, which Garmezy’s (1991) work on poverty typifies. The field of resilience and research is now extensive and this is useful in recognising how widely the term can be applied.

2.22 There are many references to ‘protective factors’ in the literature which help people cope with instances of adversity. In relation to childhood resilience, the key protective factors are outlined as: (1) internal protective factors such as social competencies and self-esteem; (2) family characteristics including

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7 Garmezy and Rutter (1983) conducted a long term survey of 200 children in the US looking at the coping strategies adopted by children who lived with parents suffering from a mental illness and studied what protective factors prevented adverse outcomes. The research findings outline that most of the children, having experienced negative experiences did not exhibit the expected negative outcomes. This led to the question what factors and processes lead children and adults to succeed despite difficult experiences?

8 Werner and Smith (1988) surveyed a cohort of children in Hawaii, many of the children grew up with parents that were alcoholics or mentally ill and often very poor. These children were surveyed over a period of time and as they grew up two-thirds displayed destructive behaviour, however, one-third did not. It is the latter group that were referred to as the resilient group, as it was clear that these children and their families had traits that made them different from non-resilient children and families.
consistent role models and socio-economic resources of the parent; and (3) external institutions, such as school or community. These are factors that might be worth further consideration in terms of looking at the different equalities groups.

Resilience and equality

2.23 The concept of resilience offers the potential to explore the nature of individual and group reactions to adversity. Davidson’s (2008) paper provides an interesting insight into the experiences of individual development and display of resilience through the perspectives of: (i) the role of community involvement; (ii) the influence of education, employment and training; and (iii) experiences of parenting in two of the most deprived boroughs in Britain.

2.24 Another perspective on the promotion of resilience is presented by Bastagli (2008) who described how the use of conditional cash transfers (CCTs) has grown as a targeted policy instrument in Latin America. The premise of this approach is that this provision promotes human resilience and will lead to improved education and health outcomes. In the short and long-term it is anticipated that this will help poor people cope with adversity and tackle poverty.9

2.25 Davidson highlights that more thought must be afforded to resilience research and the potential role it may have in impacting on social policy development. It is important to consider that ‘where the [policy is to] aim for all adults to be in the labour market (this) may neglect individual circumstances as well as the vital role parents play as caregivers and role models’ (2008: 124).

Resilience in this study

2.26 Resilience studies should properly offer longitudinal data on the life course effects on individuals of various inputs (events, circumstances). The design of such a study (with an equalities perspective) would require resources beyond the scope of this paper.10 However, even using ‘snapshot’ and descriptive data analysis, we are able to present new insight to dimensions of ‘coping’ that have not been considered before, and which should inform the policy response to the challenges vulnerable people face in times of recession and austerity.

2.27 It is not possible within the scope of this work to examine all of the factors of resilience that may pertain to Scotland’s equalities groups, and this paper aims to focus on two of the socio-economic ‘cushions’ (or protective factors) that matter in time of recession: financial security and capability, and employment status and readiness.

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9 The Bastagli (2008) paper provides a useful look at the evidence of the impact that the application of CCTS in Latin America has had, the results are mixed and at this point evidence and change in final outcomes is limited to Mexico only.

10 The Equalities and Poverty Analysis business plan for 2010-11 includes scoping a longitudinal study (using existing data sources) for tracking progress on Scotland’s solidarity target (with its focus on income inequality). This could be developed to include an equalities breakdown.
Furthermore, resilience studies tend to focus on the resilience factors of individuals, and their innate or supported capacity to endure and survive adversity. The focus of our study is broader than the individual, and we are considering the community and neighbourhood environments of influence on an individual or household’s ability to ‘cope’. Some support offered to equalities individuals (for example disabled people) is delivered via community or neighbourhood interventions, and social capital in a community is also evident at a neighbourhood level. Therefore, in the qualitative elements of this study, we consider both individual and community levels of and expressions of resilience.

It should therefore be understood that the concept of ‘resilience’ has been applied in this study lightly, and as a helpful framework to accommodate more of the factors that describe how certain individual and groups are ‘coping’ with recession and austerity. It helps us understand better the ‘protective factors’ that individuals bring to challenging times, and that people are not evenly or equally ‘equipped’ with the skills, resources or support that are necessary to survive, let alone thrive, during difficult economic circumstances. This study aims to describe this unevenness, and to cast a ‘spotlight’ on some of the individuals and households with least resilience.
3. THE IMPACT OF THE RECESSION ON EQUALITIES GROUPS

Introduction

3.1 This chapter begins by presenting the summary of an evidence review exploring available UK and international evidence on the impact of reduced spending on equalities groups: disability; lesbian, gay, bisexual and transgender (LGBT); gender; ethnicity; religion; and age. Emphasis in the evidence review is given to evidence on what has happened in the past, although note is made of estimates of what might happen due to reduced spending in the future.

3.2 The chapter then presents the most recent (at the time of writing) equalities data analysis for Scotland, using information gathered from the Labour Force Survey, the Family Resources Survey and the Scottish Household Survey about the impact of the recession on equalities groups in Scotland and the resources people employ to cope with the impact.

Evidence Review Summary

3.3 This review examines 3 potential effects of spending cuts:

• Job losses in the public sector;
• Access to the types of public services that are funded by the Scottish Government (which may have impacts on service provision and on contractors in the private or third sectors);
• Welfare and tax issues that are reserved to the UK Government.

3.4 As well as addressing cuts in the public sector the review also considers the effect on the third sector. These organisations are sometimes heavily funded by the public sector and have increasingly been responsible for public service provision. Although beyond the scope of this review, it is worth noting that as the private sector is a provider of goods and services to the public sector it will also be affected by public sector cuts.

Job losses in the public sector

3.5 Many equalities groups are likely to be vulnerable to job losses in a UK recession. Although the resilience of the public sector was thought to have helped maintain employment levels during the last year or two, it is anticipated that cuts to jobs in the public sector will be made in the future, adversely affecting equalities groups and the labour market as a whole. Due to the relatively higher shares of various groups working in the public and third sector (women, disabled people and ethnic minorities), it is likely that certain equalities groups may be more affected by public spending cuts, than in the recession beginning in 2008.

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11 The full review is available at: http://www.napier.ac.uk/randkt/rktcentres/eri/projects/Pages/Impactofreducedpublicservices.aspx
Access to services

3.6 Reduction to the public service budget will potentially affect equalities groups in numerous ways. For example, tightening of eligibility criteria in health and social care may mean that only those with more acute needs will have access to services. As a result families and friends may be expected to provide more informal care in order to substitute for cuts in services, and these are likely to fall disproportionately on women. This highlights that cuts in one area can have a ‘knock on’ effect on other equalities groups. Additionally individuals can identify with multiple equalities groups, therefore exacerbating their vulnerability to cuts in public services. Evidence from the large budget cuts made in Canada in the 1990s indicates such adverse effects, although this was in the context of improvements in the economy in the longer-term.

3.7 Third sector organisations who deliver public services may also find that their budgets are reduced. While they may have to reduce their workforce they could also see an increase in demand for services.

Welfare and tax issues

3.8 In the main, welfare and tax issues are reserved matters. Hence there is relatively limited influence on them by the Scottish Government. Ongoing reviews by the new Westminster Parliament may lead to fundamental changes that will affect many equalities groups and could result in greater demand for certain services (provided, for instance, by local or the Scottish Governments). Changes to public sector pensions may also have differing effects on equalities groups.

3.9 This summary highlights that equalities groups will be especially vulnerable to public spending cuts as they are well represented in the public sector workforce and are also significant users of public services. It draws attention to a series of issues as follows:

- There is only limited concrete evidence on the impact of public spending cuts on equalities groups.

- Individuals can fall into multiple equalities groups, therefore exacerbating their vulnerability to cuts in public services. Additionally cuts in one area can impact on other equalities groups.

- The large variations within equalities groups should be explicitly considered as certain sub-groups may be much more affected than others (e.g. mothers compared to single women, or certain ethnic groups compared to others, or users of some specific services etc.).

- Certain individuals will be especially vulnerable to any cuts as both public sector employees and public service users.

- There is lack of official data regarding certain equalities groups and therefore the effects of public spending cuts may be less ‘visible’. This
highlights the need for better monitoring of public sector cuts on less well documented equality groups.

• The effects of public spending cuts will be felt by those working in and using services delivered by third sector and some private sector organisations. The effects of reduced public spending will cross sectoral boundaries.

Scottish Data

3.10 The following section looks at the information we have gathered from the Labour Force Survey (LFS), Family Resources Survey (FRS) and the Scottish Household Survey (SHS) about the impact of the recession on equalities groups in Scotland and the resources people employ to cope with the impact. This chapter presents the following evidence for unemployed people generally, and then for the 4 equality groups outlined previously (age, gender, ethnic minority and disability):

• employment rates
• qualifications
• whether people are coping financially
• evidence on savings.

3.11 It should be noted that the data utilised in this chapter supports analysis of two dimensions of resilience: financial capability / security and employability.

Financial resilience of unemployed people

3.12 This section presents data for unemployed people in the general Scottish population, exploring some of the factors that might help understand how well placed they are to cope with the recession and the changes it brings. Between April to June 2008 and April to June 2010 employment fell by 5 percentage points among men and 2 percentage points among women. The Labour Force Survey recorded increases among the following groups:

• An extra 112,000 unemployed people. These were 65 percent male.
• An extra 26,000 people who were recorded as “economically inactive, looking after home”. These were 76 percent female.
• An extra 79,000 part-time workers (68 percent female).
• An increase of 51,000 in the number of working people who say they would “like to work more hours”. These were 80 percent male.

3.13 Broadly speaking, the first of these four groups is probably the least financially resilient and it is the men and women in this group, particularly those in families where no-one is working, which are examined in this section.

Qualifications of unemployed people

3.14 As may be expected, unemployed people have lower qualification levels than the working population. There is little difference between unemployed men
and women in terms of qualifications. Of those unemployed during April to June 2010:

- 13 percent had no qualifications compared with 8 percent of people in work.
- 53 percent had no qualifications above Standard Grade level compared with 33 percent of the working population (Source: LFS).

**How well unemployed people cope financially**

3.15 Compared with other household types, households with unemployed heads did not consider themselves to be coping well financially either before or during the recession. The Scottish Household Survey contains a question about how households are “coping financially”. In 2009 49 percent of households said that they were coping “well” or “very well” financially. For households with unemployed heads this figure was 12 percent.

**Savings**

3.16 In 2007/08 the Scottish Household Survey records that 90 percent of households with unemployed heads had no savings. This was considerably higher than the Scottish average of 46 percent.

**Age**

**Pre-recession employment trends**

3.17 Employment rates vary by age with the highest rates among those in the 25-49 age group and the lowest rates among the 16-24 age group.

3.18 Annual Population Survey figures show that between 2004 and 2008 employment rates for those in the 25-49 age group were above 80 percent. Those aged over 50 and below the state pension age have lower employment rates although in recent years the gap between them and the 25-49 age group has been slowly closing. Between 2004 and 2008 employment rates for this group rose from just below to just above 70 percent.

3.19 The employment rate for the 16-24 age group is lower still, and fell between 2005 and 2008 to 61 percent. This group contains many people that are not working because they are still in full-time education. Those in full-time education however can still be recorded as employed, unemployed or economically inactive - depending on whether they are looking for, or have, a job (Source: Annual Population Survey).

**The effects of the recession**

3.20 Figures from the Labour Force Survey show employment for young people in Scotland fell faster during the current recession more than for other age groups. Over the two years before April to June 2010 unemployment rates for the 16 to 24 age group increased by 9.3 percentage points (to 22 percent). Over the same period the comparable increases for the 25 to 49 age band
and the over 50s were 3.4 (to 6.4 percent) and 2.8 (to 4.7 percent) respectively. Chart 3.1 below displays these trends and shows that there was a large increase in unemployment among young people during the April to June 2010 period.

Chart 3.1 - Unemployment rate by age group 2007-2010 (not seasonally adjusted)

Source: Labour Force Survey, ONS

3.21 The previous paragraph suggests that labour market outcomes for older people have been less affected by the recession than those for younger groups. The Scottish Household Survey contains broader questions about economic wellbeing which also suggest that older people have been less affected by the recession than other groups. The following chart (3.2) breaks down how well pensioner households describe themselves as “coping financially”. It shows that the proportion of people describing themselves as “coping” or “getting by” has remained fairly consistent throughout 2008 and 2009. The trends are certainly more consistent than those for low income households which recorded a reduction of around 10 percentage points in the proportion of households describing themselves as “coping” between 2008 and early 2009, although this figure rose again during 2009.
3.22 The Equalities and Human Rights Commission (EHRC) report by Hogarth et al 2009 on *The equality impacts of the current recession* contains forecasts of the speed at which employment will recover after the recession for different groups. These forecasts are subject to many assumptions so should be treated with some caution however they show that:

- Employment rates are predicted to fall for all age groups, across all regions between 2008-2013.
- Employment rates are predicted to fall most for the 16-24 age group.
- Across all regions and for all age groups employment rates are predicted to rise after 2013. The exception to this is 16-24 year olds in Scotland - employment for this group is predicted to fall by 0.1% between 2013 and 2020.

3.23 Hogarth’s forecasts suggest that employment will recover more slowly in Scotland than in Wales and England. It also suggests that employment among young people will recover more slowly than for other age groups.

3.24 Hogarth’s EHRC report references work by Bell and Blanchflower (2009) which suggests unemployment in youth can impact upon employment and earning prospects for an entire career.

**Resilience of young job-seekers**

3.25 The previous section suggests that young people have been more affected by the recession than other age groups. We now examine what we know about the characteristics and skills of young job-seekers and the resources that they can use in times of financial hardship.
3.26 The Labour Force Survey (LFS) estimates that during April to June 2008 there were around 54,000 unemployed people under the age of twenty-four in Scotland. Labour Force Survey figures suggest by April to June 2010 this figure had risen to around 95,000. Economic inactivity actually fell for this age group, from 200,000 to 189,000 over the two years to April to June 2010.

**Family structure**

3.27 At a UK level, the Family Resources Survey\(^{12}\) estimates that most (around 60 percent) of young job-seekers live at home with parents or grandparents, around 15% live with one other person (mostly married or co-habiting couples) and around 10 percent live alone.

**Financial resources**

3.28 The evidence suggests that most young job-seekers have very limited financial resources.

3.29 According to the FRS around one-third of young job-seekers in Scotland are in poor households (using the relative poverty measure - households with an income below 60% of the UK median income). This proportion increases for those that are living alone or with one other person (whether they are a parent, partner or housemate).

3.30 The FRS also estimates that many young job-seekers do not have a current bank account, an indicator often used as a measure of financial exclusion. Those with lower incomes, or those living with elder relatives are less likely to have a current account. At a UK level, forty percent of those young job-seekers that are in relative poverty do not have this basic financial product and for those in poverty and living with parents or grandparents, this figure is slightly over half.

3.31 The Scottish Household Survey suggests that around 80 percent of households containing a young job-seeker have no savings. This figure compares to 40 percent for households which do not contain one.

3.32 Almost 40 percent of households containing a young job-seeker describe themselves as “not coping financially”. For households without a young job-seeker this figure is under 10 percent.

**Qualifications / skills / experience**

3.33 Although estimates of exact qualification levels for young job-seekers differ slightly in each of the main surveys, they all show that these levels are low. Many young job-seekers have few qualifications.

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\(^{12}\) Some of the figures from the Family Resources Survey are for the UK rather than Scotland. This is because of sample size concerns when looking at young job-seekers from the Scottish FRS data. This is highlighted where relevant.
3.34 The Family Resources Survey estimates that, at a UK level, one-quarter of young job-seekers have no qualifications. For those living in households that are in relative poverty, this figure is above one-third.

3.35 The Labour Force Survey records around twenty percent of young Scottish job-seekers as having no qualifications or only qualifications below Standard Grade level.

3.36 Many young job-seekers also have little or no experience of work. At a UK level the FRS estimates that around half of young job-seekers have never had a paid job, this is regardless of whether they are in relative poverty or not.

**Gender**

*Pre-recession employment trends*

3.37 Employment rates for women are lower than for men. Between 2004 and 2008 the gap between male and female employment rates narrowed and then widened again. In 2008 the male employment rate for Scotland was 78.7 percent and the female rate was 72.3 percent. The female rate was 6.4 percentage points lower than the male rate, approximately the same gap that there was in 2004 (*Source: Annual Population Survey*).\(^{13}\)

3.38 The gap between the female and male employment rates varies across Scottish local authorities (LAs). In 2008 LAs such as North Ayrshire, Midlothian, Aberdeen, North Lanarkshire and Highland had the widest gaps in Scotland of around 10 to 11 percentage points. The LAs with the narrowest gaps were Fife, East Lothian, Inverclyde, Dundee and East Dunbartonshire although in Dundee and Inverclyde employment rates were low for both sexes. East Dunbartonshire was the only LA for which the employment rate among women (77.8 percent) was higher than the rate for men (77.5 percent) (*Source: Annual Population Survey*).

*The effects of the recession*

3.39 Many of the first industries to be affected by the recession such as manufacturing and construction have traditionally had a high proportion of male workers. Perhaps because of this male unemployment has risen more than for women. However we cannot simply conclude that this is a male recession: part-time workers, many of them female, have also been negatively affected by the recession as hours worked have been reduced. There is also some evidence that some women have stayed at home and become “economically inactive” rather than unemployed. As discussed above, the Labour Force Survey recorded an extra 26,000 people as 'economically inactive, looking after home' between April to June 2008 and April to June 2010. These were 76 percent female. This section examines some of the ways that the recession has affected men and women.

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\(^{13}\) This data refers to working age for women 16-59 and for men 16-64.
Increasing unemployment

3.40 Since the start of the recession to date employment has fallen more among men than women. Male unemployment increased by 3.5 percentage points over the two year period ending in April to June 2010. Female unemployment increased by 1.7 percentage points over the same period (Labour Force Survey).

3.41 Chart 3.3 breaks down unemployed people during April to June 2010 by their gender and industry of last employment. It shows that a relatively high proportion of unemployed people were men. Many of these men had previously worked in industries such as construction, manufacturing and admin. Fewer unemployed women had worked in these industries. Most unemployed women had come from the wholesale and retail, and accommodation and food services industries, although many men had also been employed in these industries. Two thirds of those unemployed people who had never had a paid job were women.

Chart 3.3 - Unemployed people by industry of last job and gender: Scotland April: to June 2010

Source: Labour Force Survey

3.42 Labour Force Survey figures show that women are more likely to work in the public sector than men (in Scotland 37.7 percent of working women are employed in the public sector compared to 19.3 percent of working men); this has also helped to reduce the impact of the downturn on female unemployment. Employment in the public sector fell over the year which ended April to June 2010 from 720,000 to 680,000.
3.43 One factor which will affect how quickly some people are able to find jobs will be the different long-term trends in jobs across industries. Figures from the Office for National Statistics\textsuperscript{14} show that the number of jobs in the Scottish manufacturing industry decreased from over 300 thousand in mid 2000 to under 200 thousand by mid 2010. Over this period the sector which saw the largest job growth in Scotland was the ‘Health and Social Work’ sector. Jobs in this sector increased from under 300 thousand jobs in 2000 to almost 4000 jobs in mid 2008, although the number of health and social care jobs fell again during the recession to 370 thousand in March 2010.

3.44 Over the two years ending in April to June 2010 male employment has fallen by more than female employment in the public and private sectors. Although both of those sectors have seen a reduction in overall job numbers, employment in the private sector has fallen by more than employment in the public sector (see table 3.1).

Table 3.1 - Percentage change over two years to April to June 2010 in private and public sector employment by gender, Scotland

<table>
<thead>
<tr>
<th></th>
<th>Male</th>
<th>Female</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Private sector</td>
<td>-7.3</td>
<td>-2.7</td>
<td>-5.4</td>
</tr>
<tr>
<td>Public sector</td>
<td>-2.8</td>
<td>-1.3</td>
<td>-1.8</td>
</tr>
<tr>
<td>Total</td>
<td>-6.7</td>
<td>-2.6</td>
<td>-4.7</td>
</tr>
</tbody>
</table>

Source: Labour Force Survey

Economic inactivity and self-employment

3.45 The Labour Force Survey records that during the recession levels of economic inactivity have risen more among men than women, although economic inactivity among women has remained at a higher level than among men. Between April to June 2008 and April to June 2010 economic inactivity among men increased by 1.3 percentage points to 31.5 percent. Over this period the economic inactivity rate among women remained unchanged at 42.8 percent.

3.46 Between April to June 2008 and April to June 2010 the number of women who did not have a job, and were not looking for work due to looking after their family and/or home rose by 20,000 to 156,000. The number of men in the same situation rose by 6,000 to 23,000. This suggests that some men and women may be looking after the home or children, if they have any, after becoming unemployed rather than looking for paid employment in a slow job market. It is worth noting that the number of women in this situation was far greater than the number of men both before and after the recession.

Part-time work / reduced hours

3.47 More people have begun to work part-time during the recession. Between April to June 2008 and April to June 2010 the number of part-time workers

\textsuperscript{14} ONS Workforce Jobs. Accessed via nomis November 2010.
increased by 10 percent. The number of part-time women increased by 53,000 (an increase of 8 percent) and the number of part-time men increased by 25,000 (an increase of 14 percent). This source cannot, however, tell us the extent to which these were new part-time jobs or were the results of full-time workers having their hours reduced (Source: Labour Force Survey).

3.48 Alongside the increase in part-time working there has also been an increase in the numbers of working people who would like to work longer hours. This increased by over 51,000 over the two years to April to June 2010. The majority of these 51,000 workers (80 percent) were male.

Secondary impacts

3.49 As well as direct impact on gender employment the EHRC report on the impacts of the current recession on equalities groups referred to earlier highlights some secondary consequences that may result from the recession. These include:

- **Men going into “female industries”** - The recession is likely to speed up the longer-term trend which has seen fewer manufacturing jobs and more business and non-marketed services jobs. This may result in more men going into these latter two sectors as they recover faster than the manufacturing and construction industries, reducing occupational segregation in these industries.

- **Reduction in equal pay and sex discrimination claims** - The EHRC state that there has been a “significant dip” in sex discrimination claims since the beginning of the recession (although the report does not provide data which supports this claim).

- **Impacts on relationships including increased domestic violence** - Due to additional strain on relationships as a result of job losses, or threat of job losses.

Employment forecasts by gender

3.50 The EHRC recession paper predicts the following employment characteristics for recovery from the recession at the UK level and in Scotland.

3.51 At the UK level:

- Increased number of jobs in high level occupations - managerial, professional and associate professional and technical occupations. Reductions in administrative and secretarial (which employ a lot of women) and skilled trade; process, plant and machine operatives; and elementary occupations (which employ a lot of men).

- Projections suggest that, during the recovery, male and female employment rates will be more similar than in previous recessions.

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Nonetheless, male employment is predicted to reach pre-recession levels faster than female employment (in 2017 compared to in 2020).

- Part-time employment is predicted to rise faster than full-time, and more men are predicted to move into part-time jobs.
- The “business and other services” sector is expected to increase its share of male employment from just over 20 percent in 1993 to over 30 percent in 2020. It is predicted to also increase its share of female employment, but less dramatically.
- The non-marketed services sector (public sector) is predicted to continue to employ the largest proportion of women, increasing to almost 40% by 2020.

3.52 In Scotland:

- The recovery of employment is predicted to be slower than in other regions, and slower for women than men.
- Female jobs in Scotland are not predicted to reach pre-recession levels by 2020.

Ethnic minority groups

Ethnic minorities in the labour market

3.53 In Scotland people from ethnic minority communities:

- Are more likely to be in poverty than the white population - 34 percent of people in “Asian” households and 28 percent of people in households of other non-white ethnic groups are in relative poverty compared with 18 percent for “White British” households (Source: Family Resources Survey)\(^\text{16}\).
- Have lower employment rates than the white population (discussed later in this section).
- Are more likely to work in hotels, restaurants and distribution - data from the 2008 Annual Population Survey show that 37% of the total number of ethnic minority people in employment worked in distribution, hotels and restaurants compared to 18% of the white population.

The effects of the recession

3.54 Work looking at previous UK recessions has suggested that employment rates for ethnic minority people are particularly sensitive to economic cycles: that they fall faster than for the rest of the population during a recession but also rise faster during periods of economic growth (see Smith (1977) and Jones (1993)).

3.55 The following chart (3.4) at least partly supports this theory. It contains employment rates for ethnic minority people in Scotland between 2004 and

\(^{16}\) Broad groupings of ethnic groups have been used here because of small sample sizes in the Family Resources Survey.
2009. Between 2007 and 2009 the ethnic minority employment rate in Scotland fell by 8.5 percentage points. This was greater than the comparable drop across the whole population of 2.1 percentage points. This suggests that employment rates for ethnic minorities have been more greatly, or more quickly, affected by the economic downturn.

3.56 It is important to note that this drop came against a background of increasing employment rates for ethnic minority people. This rate had risen by 10.4 percentage points between 2004 and 2007 (much greater than the comparable rise for the general population of 1.4 percentage points). Due to small sample sizes for ethnic minority groups in the APS the observed figures may over-estimate the size of the rise and fall for ethnic minority employment rates around 2007.

Chart 3.4 - Working age employment rates and levels for ethnic minorities: Scotland 2004-05 to 2008-09

At a UK level the Equality and Human Rights Commission (EHRC) have reported that the recession has reversed some of the progress which has been made in narrowing the employment gap between ethnic minorities and the rest of the population in recent years. The chart above suggests that this is also true at a Scotland level.

3.58 The EHRC have also commented that some ethnic groups at a UK level have been affected more severely than others by the recession. They suggest that outcomes for Asian people have worsened less severely than for Mixed and Black groups. This may also be true for Scotland however it is difficult to ascertain/verify because of limited Scottish sample sizes for the Labour Force Survey.

3.59 The following table from the Labour Force Survey illustrates the complexity of employment data on ethnic minorities. Whilst the employment rates shown
are lower for ethnic minorities than for white, the education or employment rate is much more similar.  

Table 3.2 – Employment, Unemployment and EET rates for different ethnic groups: UK 2008

<table>
<thead>
<tr>
<th>Ethnic Group</th>
<th>All White</th>
<th>mixed</th>
<th>Asian or Asian British</th>
<th>Black or Black British</th>
<th>Chinese</th>
<th>Other Ethnic Groups</th>
<th>White non white</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Working age employment rate</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All</td>
<td>76.1%</td>
<td>57.3%</td>
<td>64.4%</td>
<td>62.3%</td>
<td>58.8%</td>
<td>52.6%</td>
<td>76.1%</td>
</tr>
<tr>
<td>Males</td>
<td>78.9%</td>
<td>54.9%</td>
<td>76.4%</td>
<td>92.2%</td>
<td>78.4%</td>
<td>56.3%</td>
<td>79.9%</td>
</tr>
<tr>
<td>Females</td>
<td>73.1%</td>
<td>60.9%</td>
<td>54.9%</td>
<td>37.2%</td>
<td>43.8%</td>
<td>49.3%</td>
<td>73.1%</td>
</tr>
<tr>
<td><strong>Working age unemployment rate</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All</td>
<td>5.0%</td>
<td>6.7%</td>
<td>6.7%</td>
<td>8.3%</td>
<td>6.5%</td>
<td>14.0%</td>
<td>5.0%</td>
</tr>
<tr>
<td>Males</td>
<td>5.3%</td>
<td>11.2%</td>
<td>4.8%</td>
<td>1.9%</td>
<td>9.1%</td>
<td>1.9%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Females</td>
<td>4.6%</td>
<td>0.0%</td>
<td>8.9%</td>
<td>19.4%</td>
<td>14.1%</td>
<td>18.5%</td>
<td>4.6%</td>
</tr>
<tr>
<td><strong>Working age in employment or education rate</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>All</td>
<td>80.5%</td>
<td>83.2%</td>
<td>77.3%</td>
<td>76.6%</td>
<td>88.3%</td>
<td>69.1%</td>
<td>80.5%</td>
</tr>
<tr>
<td>Males</td>
<td>83.1%</td>
<td>84.2%</td>
<td>87.8%</td>
<td>96.6%</td>
<td>99.2%</td>
<td>75.6%</td>
<td>83.1%</td>
</tr>
<tr>
<td>Females</td>
<td>77.8%</td>
<td>81.9%</td>
<td>68.7%</td>
<td>59.7%</td>
<td>80.0%</td>
<td>63.3%</td>
<td>77.8%</td>
</tr>
</tbody>
</table>

Labour Force Survey 2008

**Employment forecasts by ethnicity**

3.60 EHRC forecasting suggests that:

- For all ethnic minority groups in Scotland, employment will fall between 2008 and 2013 and then increase between 2013 and 2020. The forecast reductions and increases are broadly in-line with those for the white population.
- Forecasts for ethnic minority groups are particularly volatile for Scotland because of small sample sizes.

**Recession and ethnic minority groups**

3.61 It is always difficult to examine ethnic minority groups in Scotland using data from the large population surveys because the small ethnic minority sample sizes involved limit the analyses that are possible. This is particularly true when looking at the recession because further limitations are introduced by the need to use recent datasets.

3.62 The data which are available suggest that the employment gap between ethnic minorities and the rest of the population may have widened slightly during the recession. It is important to note however that this is against a background of the gap narrowing in recent years. Employment rates for ethnic minority groups have ended the recession at a similar level to their 2005 level.

**Disabled people**

**Pre-recession employment trends**

3.63 Since 2004 the working age employment rates for disabled people have increased from 44.3% to 48.1%, which corresponds to an increase of over

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17 The difference in employment rates may be due primarily to lower female employment rates for ethnic minorities as shown in table 3.2. Analysis is being conducted to explore this further.
18,000 people. The rate continued to increase between 2007 and 2008, from 47.1% to 48.1% against a backdrop of a falling employment rate for all working age people.

3.64 However, the employment rates of disabled people still vary greatly across local authority areas. The employment rate for disabled people varies from over 70% in Shetland Islands to 34% in Glasgow. Another way to compare employment rates for disabled people is to look at the difference in the employment rate for all working age people compared to that of disabled people. In all local authorities the employment rate is lower for disabled people. The gap is lowest in the Shetland Islands at 11 percentage points. Often local authorities with relatively lower employment rates for all working age people have a wider gap between the overall employment rate and the employment rate for disabled people (Source: Annual Population Survey).

**Effects of the recession**

3.65 The EHRC (2009) report *Monitoring update on the impact of the recession on various demographic groups* uses the Labour Force Survey to examine unemployment trends for disabled people. They state that the impact of the recession, and employment outcomes generally are very different for people with different types of impairment. The report examines two overlapping groups: those with a disability as defined by the *Disability Discrimination Act* (DDA) and those with a work-limiting disability.

3.66 The DDA defines a disabled person as someone who has a physical or mental impairment that has a substantial, or long-term, adverse effect on their ability to carry out normal day-to-day activities.

3.67 A work-limiting disability is one which, in the opinion of the respondent has the effect of limiting the amount, or type, of work that they can undertake.

3.68 At a UK level the Joseph Rowntree Foundation (JRF) conclude that for disabled people with a DDA defined impairment, but not work-limiting disability, the recession has had relatively little effect. In terms of unemployment rates, this group has fared slightly better than the non-disabled population. The rise in unemployment for those with DDA defined impairments is smaller than the rise for the non-disabled population. However, this needs to be qualified by the fact that labour outcomes for those with work-limiting disabilities were already much worse than those of the non-disabled population before the recession.

3.69 Using the Labour Force Survey it is possible to produce Scottish unemployment figures for these groups and the conclusions are broadly similar to the JRF report. The following chart (3.5) presents April to June unemployment figures since 2004 broken down by the two types of disability discussed above.
Chart 3.5 - Unemployment rates for disabled people and non-disabled people in Scotland - April to June 2004 to April to June 2010

3.70 The chart above shows that those with a DDA defined impairment only have a marginally lower unemployment rate than non-disabled people. Although this rate has increased during the recession it is still lower than that for non-disabled people. It is worth noting however that employment rates are based on the “economically active” population and this group have the highest economic inactivity rate of the four groups presented here. Three quarters of those with a DDA defined impairment only are neither in work, nor looking for work.

3.71 For the 210,000 economically active people in Scotland with work-limiting disabilities the analysis suggests quite a different outcome. Since 2004 unemployment among this group has been at least 4 or 5 percentage points higher than that of the non-disabled population. The unemployment rate for both those with DDA defined impairments and work-limiting disabilities; and those with work-limiting disabilities only, rose by 5.6 percentage points between 2007 and 2010, compared to a rise of 3.7 percentage points for the non-disabled population. The size of this rise may be partly due to variation in the survey data but it suggests that employment rates for this group have fallen further behind the rest of the population during the recession.

3.72 When considering the effect of the recession on disabled people it is worth bearing in mind that most disabled adults in Scotland are economically inactive. That is they are not in work, nor looking for work. During April to June 2009 the LFS recorded that 65% of the 1.2 million adults with work-limiting and or DDA defined disabilities fell into this category. These proportions had not changed dramatically during the recession and it is fair to say that as yet the recession has not directly affected disabled people on benefits. However, as the following chart (3.6) suggests, many of these people were not coping well financially before the recession.
3.73 Further information about how disabled people in Scotland are coping with the recession is presented in chart 3.6 which contains figures from the Scottish Household Survey. The chart considers disabled people who are neither in work, nor looking for work. It covers households that are headed by someone who is unable to work because they are permanently sick or disabled and presents how well they consider themselves to be coping financially.

Chart 3.6 - Sense of coping financially: Households where the head is economically inactive due to disability or long term ill health

3.74 Because the sample sizes in the SHS are relatively small for this type of household there is a lot of variability around these estimates (i.e. the figures go up and down a lot from quarter to quarter). Consequently, while care must be taken when using these figures, a few key observations can be made as follows:

- There is no change in historic trends over the period of the recession so the effect of the recession on this group, in terms of how they consider themselves to be coping financially, appears to be minor.

- It is important to recognise that before, and during the recession, this group was not faring well financially compared to the general population. In 2010 quarter 1, 50 percent of Scottish households described themselves as “coping well or very well financially” in the SHS. For households headed by an economically inactive disabled person, this figure was 18 percent.

Forecasts of employment for disabled people

3.75 EHRC forecasting suggests that:

- Employment for disabled people is projected to fall at approximately the same rate as the rest of the population between 2008 - 2013.
• In Scotland, recovery for those with work-limiting disabilities will be slower than for the rest of the population and this is a worse outcome for this group than the same group in England - see table 3.3 below.

Table 3.3 - Annual average growth rate (AAGR) in employment by disability: 2001-2020: England and Scotland

<table>
<thead>
<tr>
<th>AAGR (%)</th>
<th>2001-08</th>
<th>2008-13</th>
<th>2013-20</th>
</tr>
</thead>
<tbody>
<tr>
<td>England</td>
<td>0.8</td>
<td>-0.5</td>
<td>0.7</td>
</tr>
<tr>
<td>DDA disabled &amp; Work-limiting</td>
<td>1.6</td>
<td>-0.6</td>
<td>0.4</td>
</tr>
<tr>
<td>DDA disabled only</td>
<td>0.6</td>
<td>-0.5</td>
<td>0.7</td>
</tr>
<tr>
<td>Work-limiting disability only</td>
<td>3.0</td>
<td>-0.6</td>
<td>0.5</td>
</tr>
<tr>
<td>Non-disabled</td>
<td>0.6</td>
<td>-0.4</td>
<td>0.8</td>
</tr>
<tr>
<td>Scotland</td>
<td>0.7</td>
<td>-0.5</td>
<td>0.4</td>
</tr>
<tr>
<td>DDA disabled &amp; Work-limiting</td>
<td>-0.1</td>
<td>-0.6</td>
<td>0.1</td>
</tr>
<tr>
<td>DDA disabled only</td>
<td>-0.8</td>
<td>-0.5</td>
<td>0.4</td>
</tr>
<tr>
<td>Work-limiting disability only</td>
<td>1.3</td>
<td>-0.6</td>
<td>0.2</td>
</tr>
<tr>
<td>Non-disabled</td>
<td>0.9</td>
<td>-0.5</td>
<td>0.4</td>
</tr>
</tbody>
</table>

Resilience of disabled people

3.76 As discussed earlier in this section, employment outcomes, as recorded by the Labour Force Survey, are different for people with work-limiting and DDA defined impairments. This difference is also apparent in the length of time unemployed and qualifications of job-seeking disabled people.

3.77 During April to June 2010 the 39,000 unemployed people with work-limiting disabilities (including those with DDA defined impairments and work-limiting disabilities) had lower qualification levels than the rest of the population. 72 percent of these people had no qualifications above standard grade compared with 51 percent of non-disabled people.

3.78 There were around 8,000 unemployed people with DDA defined impairments only and their qualification levels were at least as good as those of non-disabled unemployed people (although, on average, unemployed people have lower qualifications than those of working people regardless of whether they are disabled).

3.79 Those with work-limiting disabilities have also been unemployed for longer than other unemployed people. During April to June 2010, 52 percent of those with work-limiting disabilities (including those with work limiting and DDA defined impairments) had been unemployed for longer than a year compared to 40 percent of non-disabled people and 44 percent of those with DDA defined impairments only. Of these three groups the non-disabled people were the most likely to say that they had never worked - 27 percent of non-disabled people said this compared with 21 percent of those in the work limiting disabilities group and 7 percent of the DDA-disabled group.
Households containing disabled people have less savings than the rest of the population. Figures from the Scottish Household Survey estimate that 53 percent of households containing a disabled person have no savings compared with 45 percent for the rest of the population. This difference is not as dramatic as the difference between households headed by an unemployed person and the rest of the population (discussed above). Based on these figures it is likely that very few households headed by an unemployed person with a work-limiting disability have savings. It is difficult to produce robust figures about this however, due to the small sample sizes involved.
Summary

Age
- Unemployment among young people increased faster than for other age groups during the recession.
- The evidence available shows that many young job-seekers have low levels of financial resilience, low skill levels and little experience of work.
- EHRC forecasting predicts that employment rates for under 24s will fall more than for other age groups and in Scotland will continue to fall until beyond 2013.

Gender
- Between April to June 2008 and April to June 2010 the Labour Force Survey recorded increases among the following groups:
  - An extra 112,000 unemployed people. These were 65 percent male.
  - An extra 26,000 people who were economically inactive due to looking after the family home. These were 76 percent female.
  - An extra 79,000 part-time workers (68 percent female).
  - An increase of 51,000 in the number of working people who say they would “like to work more hours”. These were 80 percent male.
- Compared with other household types, households with unemployed heads did not consider themselves to be coping well financially either before or during the recession (Source: SHS).
- EHRC forecasting predicts that in Scotland the recovery of employment is predicted to be slower than in other regions and slower for women than men.

Ethnic minority groups
- Between 2007 and 2009 the ethnic minority employment rate in Scotland fell by 8.5 percentage points. This was greater than the comparable drop across the whole population of 2.1 percentage points.
- This drop came against a background of increasing employment rates for ethnic minorities. The observed drop in 2009 returned the employment rate to around the 2005 level.

Disabled people
- Labour Force Survey figures show that unemployment among those with work-limiting disabilities rose at the beginning of the recession. Unemployment for those with work limiting disabilities increased more than for non-disabled people and more than for those with DDA defined impairments only.
- When considering the effect of the recession on disabled people it is worth bearing in mind that most disabled adults in Scotland are economically inactive. That is they are not in work, nor looking for work. During April to June 2009 the LFS recorded that 65% of the 1.2 million adults with work-limiting and or DDA defined disabilities fell into this category. SHS figures suggest that many of these people were not coping well financially before the recession.
- EHRC forecasting predicts that in Scotland the employment recovery for those with work-limiting disabilities will be slower than for other groups, and slower than for the same group in England.
Chapter 3 contains a mixture of figures and analysis which have been sourced from published reports or from original analysis by Scottish Government analysts on official survey datasets.

The main data sources used are:

**Labour Force Survey and Annual Population Survey**
Relevant publications:


**Family Resources Survey and Households Below Average Income dataset**
Relevant publications:

Scottish Government poverty figures (based on HBAI): [http://www.scotland.gov.uk/Publications/2010/05/povertystats0809](http://www.scotland.gov.uk/Publications/2010/05/povertystats0809)


**Scottish Household Survey**
4. ANTICIPATING CHANGE, DEALING WITH UNCERTAINTY: STAKEHOLDER EXPERIENCES

Background

4.1 In order to explore further the findings emerging from the data analysis, and to understand better the contexts within which individuals ‘cope’ with adversity and change, two qualitative elements of research were undertaken to establish further the ‘breadth’ (if not the depth) of the range of impacts upon equalities groups. During the course of this work it became clear that it was not so much the recession and its direct impacts affecting these individuals and households, but the uncertainty around the security of existing and future services in the context of national and local public budget adjustments.

Gathering views and experiences from ‘the front line’

4.2 To this end, stakeholder workshops and individual interviews\(^\text{18}\) were held.

4.3 The stakeholder workshops were convened by the Scottish Government and Glasgow Council for the Voluntary Sector. Around 50 organisations representing a wide range of services and covering all 6 equality strands were invited to the events.

4.4 The purpose of the events was not to quantify the scale of any problems or issues raised, or to the extent to which these concerns reflect the views of voluntary and public sector stakeholders as a whole. The views expressed in this chapter are those of the attendees, not the facilitators, and are reported as faithfully as possible.

4.5 Attendees were involved from a wide range of voluntary sector organisations (including organisations specialising in housing and homelessness, learning disability, community education, mental health and financial inclusion). Attendees included:

- Citizens Advice Scotland
- Scottish Refugee Council
- Scottish Council for Voluntary Organisations
- Money Advice Scotland
- Scottish Consortium of Learning Disabilities
- Contact a Family
- Child Poverty Action Group
- Scottish Disability Equality Forum
- Prince’s Trust
- Glasgow Council for the Voluntary Sector
- Scottish Women’s Budget Group
- Glasgow Anti-Racist Alliance (GARA).

\(^{18}\) The findings from the interviews are presented in Chapter 5.
4.6 In addition, the workshops were attended by Scottish Government staff working on employability, public services reform, poverty, and equalities.

4.7 Attendees discussed the impact of the recession on equality in relation to four broad areas:

- Employment
- Income
- Services
- Communities, families and relationships.

**Workshop findings**

4.8 The key points from discussion of these themes are summarised below. However, the attendees also emphasised these areas are often overlapping, and that it is important to understand the **cumulative** impact of the recession on people’s experiences in relation to employment, income, services and relationships.

4.9 A key theme across the discussion was that in many respects the recession is simply **worsening existing inequalities and discrimination** for particular equality groups, rather than creating wholly new problems.

4.10 Another key theme was **uncertainty** about precise outcomes – particularly in relation to the scale and focus of future cuts to public spending, and the outcomes of the forthcoming elections that will take place between 2010 and 2012.

4.11 Attendees discussed the key areas where the recession might have an impact on equality in Scotland, in addition to the categories above, and suggested the recession was impacting (or might impact) on:

- **Communities** – in terms of cohesion (if particular groups/individuals are scapegoated for economic problems), and in terms of the cumulative impact on community confidence where lots of individuals within an area are affected by recession.
- **Criminal justice** – in terms of possible rises in hate crimes (may be associated with impacts on community cohesion).
- **Education** – in terms of growing numbers of applicants for courses in a period of reduced funding.
- **Housing** – rise in repossessions and social housing evictions as well as reduced access to housing as there are less new developments going ahead.
- **Health** – mental health issues associated with debt problems.
- **Structural impacts** – on the voluntary sector landscape, including their capacity to do campaign work, for example.
Employment

4.12 The main areas of concern that emerged in the workshops and interviews related to employment were:

- That cuts to the public sector, where women and equalities groups have better chances of work, and better conditions of work will now have differential and disproportionate impacts on the livelihoods and prospects of these groups.

- That the outsourcing and casualisation of women’s jobs will lead to long-term and sustained damage to working conditions.

- That the private sector will reverse the progress made on employment of women, and reduce efforts to employ disabled people.

- That women will both absorb additional caring responsibilities in the home, and also lose work as demand for childcare outside the home decreases.

- That young people are being asked by employers to be paid less than the minimum wage, forced to cut hours, and to work longer hours for the same pay.

- That the hardest to reach young people were being pushed out of lower entry-level jobs by graduates and the newly unemployed.

- That there was no safety net for migrant workers if they lose their jobs, and that many people might be isolated and struggling.

- That people on incapacity benefit, young people who are not graduates, and those aged over 50 are becoming even further removed from the overcrowded job market.

- That those being reassessed for Employment Support Allowance are not truly ‘fit’ for work; this being particularly true of those with mental health problems. By reducing their income and putting pressure on them to find work in a context where jobs are scarce, their underlying health conditions may be worsened.

- That funding for services to support those with disabilities or mental health problems to find and sustain work was not currently adequate, and potentially at risk.

- That childcare is not always affordable, appropriate or available to underpin skills training; especially for older children.

- That the Further Education sector will withdraw its community based learning programmes, especially for local hard to reach learners, thus
removing an essential first link into formal learning for those most
distanced from learning environments.

Services

4.13 The main areas of concern that emerged in the workshops and interviews
related to services were:

• That cuts in services will disproportionately impact on those who rely on
them most, and have least to fall back on.

• That the incremental nature of cuts to discretionary funding is removing
many of the links between services that enable service users to access the
benefits of services (Dial-a-Bus, subsidised meeting spaces, English as a
Second Language training, translator services).

• That the cumulative effect of losing several small ‘link’ services has a very
significant impact on the service user.

• That the broader community benefit of effective joined-up service delivery
to individuals is at risk of being lost, and considerable social capital with it.

• That long-term preventative intervention services will lose out in funding to
crisis funding, therefore shifting more users towards crisis.

• That funding for advice and debt services will be cut at precisely the time
when demand for them is increasing.

• That changes to the voluntary sector will have a negative impact on social
care jobs (and therefore on those who need these services).

• That competitive tendering will result in a real reduction in services, and
negatively impact on service users.

• That the voluntary sector ethos will be lost and especially the voice of the
voluntary sector, along with the expertise, skills and relationships that have
been built up over years and years.

• That the speed and scale of the spending cuts will lead to significant
unintended and negative differential impacts for equalities groups.

• That hasty decisions about cuts is leading to no or poor equality impact
assessments being carried out, and that accountability structures for
decision making are being disregarded in current budget decisions. This
will result in ill-considered decisions with differential impacts on service
users.

• That there has been no or insufficient consultation with service users and
families about the nature and scale of service changes. The opportunity to
use their expertise is missed, and they feel disengaged from the process and the service.

- That there will be an increase in demand for services:
  - There have been accounts of statutory bodies not being able to provide accommodation and turning people away, therefore not recording them in official statistics, which could disguise the extent of problems.
  - Increases in homelessness and the number of rough sleepers.
  - Increase in demand for mental health services. Increase in demand, particularly from people losing tenancies who were already dealing with stress. Mental health voluntary services tend to work with people at the very early stages of employability – but there are no jobs for people. The waiting list has increased for money advice services in mental health.
  - Increase in demand for debt advice.
  - People are coming forward for courses both to improve employability and to up-skill in order to retain work they already have.
  - People are also asking for courses which are unavailable due to restricted resources. For example: CV cover letters and (ICT) Information and Communication Technologies.
  - More members of the public are increasingly affected by the recession and are seeking advice on how to cope.

- That there will be a fall in demand for services:
  - As parents are made redundant there has been a fall in demand for after school or holiday childcare. However, in other circumstances parents wish to retain a childcare place despite being out of work, in these circumstances parents are forced to use savings to pay for childcare.
  - In some cases there has been a decrease in people seeking to improve literacy and numeracy skills, as there is little chance of employment at the end of it. Previously many people came forward when changes at work required them to improve their skills.

Families and communities

4.14 The main areas of concern that emerged in the workshops and interviews related to families and communities were:

- That individuals in debt and facing unemployment have increased rates of mental health illness, unhappiness, separations and divorce. These have been well-documented in previous research.

- That the recession will lead to a reduction in the proportion of people who feel able to leave a violent partner, if they have no money to leave with.

- That families with disabled children already under stress, with lower income and higher costs are feeling increased pressure. Any cuts to social work services and respite care, for example, puts additional strain on family relationships and health.
• That cuts to social work services meant carers were being encouraged to do more than they should or that they are able to.

• That social cohesion will decline: that stakeholders were starting to see increasing racism among ‘gangs’ of young people, who are blaming particular groups for the recession.

**Income and cost of living**

4.15 The main areas of concern that emerged in the workshops and interviews related to income and cost of living and were:

• That cuts to particularly vulnerable groups (such as asylum seekers) would have very severe impacts.

• That any freeze to benefits levels will not reflect increased costs in food and fuel, and so money will cover fewer household costs.

• That debt problems are more complex than in previous recessions (due to the large number of credit services and products available), take longer to resolve, and more resources to do so.

• That older people are now considering equity release, using credit cards and other potentially unwise credit measures – sometimes under pressure to support the younger generation but also to make up pension shortfalls.

• That rural dwellers and older people are suffering particularly with meeting fuel costs over harsh winters.

• That the total number of disconnections from the power supply masks the true number of people living without power at certain times: if people can’t afford to put a power card in the meter then they can be without power for days at a time but not show on any statistics.

• That many people are not aware that there are social tariffs set by the power companies that they may be entitled to.

• That increases in food costs have led more people to buy from cheaper frozen food shops – with a knock-on impact on health.

• That people living in areas of multiple deprivation pay more for goods including food as they do not have the range of shops available to them. They also have no access to certain financial mechanisms that reduce their risk of debt (e.g. banking etc.).
5. DISABLED PEOPLE’S VIEWS OF THE RECESSION

Background

5.1 This chapter sets out the key findings from in-depth interviews exploring disabled people’s views and experiences of the recession. The interviews explore in more depth the findings from the data chapter and as such is not intended to provide figures or statistics about the prevalence of particular issues among disabled people, but to map and describe their experiences and concerns in their own words. Moreover, given the relatively small scale of the interviews, it was not intended to provide a definitive account of the experiences of disabled people in Scotland – who are, of course, an extremely diverse group. Rather, the aim was to begin to map the kinds of issues and experiences disabled people are concerned about in relation to the recession in order to inform the thinking of policy makers over the coming months and years. As Scotland deals with the legacy of the recession, we hope that this report will be the start of ongoing work to establish how disabled people are affected and to ensure that economic downturn does not further exacerbate existing inequalities.

5.2 Research has long documented the multiple barriers disabled people face in relation to work, education, access to goods and services, income and other areas. In a recent report for Leonard Cheshire19 on ‘Disability and the downturn’, Gore and Parckar (2009) summarise the existing evidence on disability and economic inequality:

‘Disabled people are more likely to be out of work than non-disabled people and when in work on average they earn less. Disabled people are also more likely to rely on state benefits for a significant source of their income and face extra costs directly resulting from their impairment, such as increased fuel bills, medical costs, or a contribution to their social care expense.’

5.3 However, while there is a wealth of evidence on the pre-existing inequalities faced by disabled people, much less is known about the precise impact of recession or economic downturn. Hogarth et al (2009) suggest this is partly attributable to changing definitions of disability, and partly to changes in people’s reporting of disabilities20, both of which make it difficult to compare outcomes for disabled people over time. Moreover, what little quantitative evidence there is about the impact of the most recent recession in fact suggests that, as of Autumn 2009 at least, disabled people had not yet experienced worse employment outcomes than other groups.21

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19 A charity that supports disabled people and campaigns for change.
20 For example, an increase over time in the numbers of people self-reporting mental and psychological conditions.
21 See EHRC/GEO (2009) Monitoring the Impact of the recession on various demographic groups. As Gore and Parckar point out, this finding should not detract from the fact that disabled people’s underlying job prospects are currently much worse than those of non-disabled people. Across the OECD as a whole, the employment rate of disabled people is around half that of non-disabled people (figures cited in Hogarth et al, 2009).
5.4 In spite of this dearth of recent evidence, there are good reasons for thinking that, in the longer term, disabled people may be more vulnerable to the impact of economic downturn. In relation to employment, Hogarth et al (2009) point out that disabled workers tend to be concentrated in relatively low-skill, low waged jobs which are particularly vulnerable to the economic cycle. Disabled workers also tend to be older, and, in spite of protections afforded by the Disability Discrimination Act, may be more vulnerable to discrimination from employers. They are more likely to live in low-income households, and as such, any changes to benefits, as well as impacts from increases in indirect taxes and rising food and fuel prices may be expected to impact more on average on disabled people than on non-disabled people. As a result of their higher poverty levels, disabled people are also more likely than non-disabled people to rely on public services, such as healthcare, social services and public transport (Gore and Parckar, 2009), so any changes or cuts to these services as a result of restrictions on public spending following the recession may have significant impacts for them.

5.5 This chapter aims to begin to fill the gap in our knowledge of how the most recent recession is impacting on disabled people. It explores their recent experiences and attitudes to the future across a range of areas, focusing particularly on employment, income and services.

Methods

Who was interviewed

5.6 This part of the study involved in-depth interviews with 13 disabled people. Participants had different kinds of impairment, including cerebral palsy and other conditions affecting mobility (for example, degenerative bone disease), multiple sclerosis, hearing loss, blindness and autism. Eight participants used a wheelchair, and five participants had both a physical disability and a learning disability. Five women and eight men were interviewed, and participants ranged in age from 17 to 62 years-old. Participants also included a mix of people living in cities and people living more rurally, people who were in paid work and those who were not working at the moment, people living on their own and people living with partners or parents, and people who did and did not use social care or other support services. All participants were recruited through Capability Scotland, a national organisation working with disabled people of all ages, their families and carers.

5.7 As discussed in the introduction to this chapter, given the diversity of disabled people in terms of age, gender, class, ethnicity, type of impairment and so on, we do not claim that this report accurately captures the full range of experiences and concerns that disabled people in Scotland have in relation to the recession. However, participants in this study still identified a wide range

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22 Analysis of DWP data on households below average income by the Joseph Rowntree Foundation and New Policy Institute indicates that 34% of disabled adults aged 25 to retirement are in low-income households, compared with 17% of non-disabled adults in the same age group. See The Poverty Site – www.poverty.org.uk
of issues for policy makers to think about, and we hope this report will mark the start of further discussions about how to address the concerns they raise.

About the interviews

5.8 Interviews were conducted by researchers from the Scottish Centre for Social Research (ScotCen). They took place either at Capability Scotland offices or centres, or at participants’ homes. One interview was conducted over the phone. A support worker or family member was present during four interviews, to provide support to the participant. Although in some cases these support people did mention their own views, every effort was made to concentrate the interviews on the views of the disabled person.

5.9 Interviewers followed a broad topic guide. This was intended to be used flexibly, to allow researchers to probe in more detail on areas that were particularly relevant for each participant. This topic guide covered:

- Information about the participant – including their work and non-work related activities, living situation, and what, if any, services and support they use.
- General views about the recession, including their views of its current impacts and their concerns about future effects, and
- More specific views and experiences of the impact of the recession on employment, income and services and support.

5.10 Interviews were recorded using a digital recorder. They were either transcribed in full, or in a few cases (where the participant had a speech impairment that would have made transcription by a third party difficult) the researcher listened back to the interview and made detailed notes. Participants were each given £25 of High Street vouchers to thank them for taking part.

Analysis and reporting

5.11 The interviews were summarised for analysis using ‘Framework’. Developed by the National Centre for Social Research, Framework is an analysis method that provides a consistent method for organising and condensing qualitative information to enable robust analysis. It helps reduce large volumes of data for analysis, while retaining systematic between case and within case investigation. These summaries were then interrogated to identify the range of experiences and views on key issues, any similarities and differences, and explanations for particular experiences or opinions.

5.12 As discussed above, qualitative research does not attempt to provide statistical inferences about the prevalence or distribution of particular

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23 To save on travel time and costs for the participant and researchers, as this was an additional interview to those originally planned.
24 ScotCen’s parent organisation.
25 Looking at what different people said on the same issue.
26 Looking at how a person’s opinions on one topic relate to their views on another topic.
behaviour or views. Rather, it aims to map range and diversity, and to explore
the reasons why people hold particular opinions or have particular
experiences. Given this distinction, this report attempts to avoid using
‘quantifying’ language which could be misconstrued as implying statistical
inferences to a wider population.27

5.13 Verbatim quotations are used in this chapter to illustrate, amplify and clarify
findings. Quotations from participants are cited in italics, and anonymised to
protect their identities.

General views and experiences of the recession

5.14 This section provides an overview of participants’ general views and
experiences of the recession, discussing some broad issues that cut across
the more specific areas discussed in subsequent chapters.

Awareness and understandings of the recession

5.15 Participants’ awareness of the recession and its impacts varied widely, from a
very detailed knowledge of ongoing debates about potential cuts to specific
benefits and services, to very low awareness of either the term recession or
discussions about government having less money to spend in future. Others
expressed a more general impression that there is less money around and
that this will affect many areas of life, without discussing specific details.

5.16 Some (though not all) participants with learning disabilities in particular had
not heard much about the recession and had not previously considered the
possibility that services might change as a result of it:28

“I mean, support workers coming to the house … what’s that got
to do with the recession? Or has it?”

(Participant 10)

5.17 While it is inappropriate to draw any conclusions from such a small scale
study about understandings of the recession among particular groups, this
finding does highlight that any changes to services may be largely
unanticipated by some service users. As such, if changes are made they will
need to be introduced extremely carefully, ensuring that service users are fully
aware of what is happening and why.

27 See White et al ‘Reporting and presenting qualitative data’ in Ritchie and Lewis (eds.) (2003)
Qualitative research practice: a guide for social science students and researchers, London: Sage for
more detailed discussion of this issue.
28 Interviewers were sensitive to the fact that participants might not previously have considered the
possibility of cuts and the need to avoid causing distress from any suggestion that the services they
use might be at risk. Where participants did not appear to have thought about the possible impacts of
the recession in any detail, interviews focused more on their current lives, the services they use, and
what these mean to them, rather than on concerns about the future.
Is the impact any different for disabled people?

5.18 The 2008-2009 recession was a worldwide phenomenon, and has already had an impact on many areas of life for many people across Scotland, the UK and the world.29 Participants emphasised that many of the impacts of the recession on disabled people are much the same as the impacts for anyone else, and that there are other groups – for example, single people and older people – who they thought would also be particularly hard hit. However, it was also suggested that because of the pre-existing barriers disabled people face, it is likely to have an even bigger impact on them than on the population as a whole. Participants noted that disabled people tend to be less financially well off, that they often have additional costs compared with non-disabled people (for example, additional travel expenses), and that many disabled people are reliant on state resources. These were all factors they felt might exacerbate the impact of the recession on disabled people:

“I think … it’s affected my partner and I in the same way as I think its affected everyone else. However, when I was diagnosed … it was like everyone’s watching their money, but then we had to watch our money extra carefully … because we had the other things … likes of travelling expenses, prescription charges … to take into account as well.”

(Participant 1)

5.19 As well as the impact of the recession being exacerbated by problems disabled people face already, there was, in turn, a perception that the recession could make some of these pre-existing issues worse. For example, there was an impression that discrimination was increasing among employers who are reluctant to incur the expense associated with adapting a workplace for disabled workers in an era where budgets are already tight. Finally, it was suggested that the recession might be particularly hard for newly disabled people, because in an era of spending cuts public bodies may be more stringent about allocating resources to those who are not already receiving services or benefits.

Impact on independence and quality of life

5.20 Strong concerns were expressed about the impact of actual and potential changes to services and to disabled people’s disposable income in terms of their ability to live independently and to live full, active lives. Less money and fewer or more expensive support services might mean that disabled people find it more difficult to live on their own, or that the variety of their daily lives is considerably reduced.

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29 For evidence of the impacts on different equality groups relative to the rest of the population, see Hogarth et al (2009) and EHRC/EOC (2009).
“I think the care cost will spiral for the foreseeable future and it’s kinda … my ability to pay that and still maintain the standard of life that I want.”

(Participant 4 – whose care costs had increased already)

“You think, if it continues the way it is going and the cut backs, you think ‘Am I going to get the house that I need or the house I want? … Am I going to have the financial means to continue the way that I like to live? It’s just question mark after question mark, and you think, ‘Oh well I won’t bother, I’ll leave it another 6 months’.”

(Participant 11, who wanted to move out of his parents’ house and living independently but was concerned it would not be manageable because of potential cuts to public spending)

“You’ll either get the person who lives independently, or with support in their own home, but doesn’t necessarily go out as much socially because they can’t afford it … or living at home and staying with your parents and having an active … a bit more of an active social life.”

(Participant 6)

Present vs. future impacts

5.21 Interviewers asked participants about changes or impacts they had already noticed that they thought were connected with the recession, and about their concerns for the future. As will be evident from the rest of this chapter, opinion on this varied. There were a number of examples where participants were already experiencing significant issues which they attributed to the recession. However, there were also examples of participants who felt that the recession had not really had a big impact on them personally yet, although they were concerned about what impact it might have in the future.

“I think they’re (the impacts of the recession) quite small at the moment, but I can see them getting more noticeable in the next few months … Ask me in a year and I think I’ll notice it an awful lot more.”

(Participant 13)

5.22 Considerable uncertainty was expressed about the precise future impact of the recession on them as individuals. Would it mean changes or cuts to their benefits? Would it affect the services they used or not? Participants commented on both the recession and the change in UK government in explaining their feelings of uncertainty and anxiety about future services and benefits. As discussed above, there were also some participants who, because they were not particularly aware of the recession or potential cuts to
public spending, did not appear to have any particular worries or concerns about the future.

Combined effect of impacts

5.23 Many of the impacts participants had experienced or were concerned about related to specific areas like employment, income and services, discussed in the following chapters. However, it is also important to note that these individual impacts were often interrelated and had knock-on impacts for other areas. For example, one participant who had experienced a reduction in work reported how this was impacting on him both financially and socially – he had more time on his hands, but less money, so had to think more carefully about spending decisions and was able to save less. This in turn was impacting on his thinking about independent living, since he had been saving towards getting a flat on his own. His attitude towards independent living was also affected by concerns about cuts in public spending generally, and whether or not he would get the support and services he needed if he moved out of his parents’ house.

Impacts on self and others

5.24 The focus of the interviews was the impact of the recession on participants themselves and their own concerns about the future. However, participants often raised concerns about impacts on other people, including other disabled people they knew either socially or, in a few cases, through work or volunteering. In discussion of specific services, employment and income in the following chapters, we try to distinguish whether participants’ views are based on their own experiences/concerns or those relating to other people. However, in practice it is sometimes difficult to disentangle the two – people sometimes talked about general concerns which applied equally to them and to others.

Impact on employment

5.25 Around 1 in 5 people of working age in Great Britain are disabled (Hogarth et al, 2009). However, employment rates among disabled people are much lower than those of non-disabled people. In the third quarter of 2009, the employment rate of disabled people in Britain was 47.8%, compared with 72.9% among the working age population as a whole (EHRC/GEO30, 2009). According to data from the 2009 Labour Force Survey, slightly more people with a work-limiting disability in Scotland compared with the rest of the UK lack work, but would like to work (around a quarter compared with around a fifth).31 The barriers disabled people face in finding and retaining work have been well-documented in previous research. The key question for this section is whether or not this existing inequality either exacerbates – or is itself exacerbated by – the impact of the recession on disabled people’s employment prospects.

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30 Government Equality Office
31 See figures on The Poverty Site, www.poverty.org.uk
5.26 As discussed above, it is not clear from the statistical evidence that the recession has to date had a greater impact on the employment rates of disabled people compared with the population as a whole. From early 2008 to late 2009, employment rates fell and unemployment rates rose at a similar or slightly lower level among disabled people compared with the population as whole (EHRC/GEO, 2009). The usefulness of evidence from previous recessions is complicated by changing definitions of disability over time, and appears to produce somewhat conflicting messages. The EHRC/GEO refer to analysis by Richard Berthoud of the UK recessions of the 1980s and 1990s, which appears to show that “women, older people and the disabled had such poor underlying job prospects that their employment outcomes were unaffected by overall changes in economic activity.” (EHRC/EOC, 2009). However, another recent review of the evidence for the Department for Work and Pensions suggests that in previous UK recessions, employment opportunities for disabled people decreased (Stafford and Duffy, 2009). Hogarth et al (2009) suggest that the implications of a recession for disabled people’s employment are likely to be determined by:

- The degree to which disabled people are more likely to suffer job loss or face more difficulty finding work (for example, because of employer attitudes)
- The degree to which disabled people are more likely to suffer job loss because they are concentrated in sectors of the economy more likely to contract
- The extent to which the recession results in an increase in disability (e.g. as a consequence of the psychological distress associated with losing a job or being threatened with loss of work), and
- The efficacy of the Disability Discrimination Act (DDA) and other government initiatives to help disabled people get or keep work.

5.27 The DDA in particular also means the context of this most recent recession is different from that of previous UK recessions. Legislation in the UK now prohibits less favourable treatment for reasons related to a person’s disability. It also requires employers to make ‘reasonable adjustments’ to working arrangements or physical features of a workplace when such changes could prevent a disabled worker from being placed at a disadvantage relative to non-disabled workers. However, Hogarth et al (2009) argue that the ‘mediating effect of the DDA on the labour market implications of the recession on disabled people are difficult to estimate with certainty’. On the one hand, it may provide a measure of protection against being seen as ‘easy targets’ for cuts during a recession. On the other hand, they cite evidence from the US that similar legislation has had negative impacts on disabled people’s employment due to the additional costs compliance places on employers.

5.28 The rest of this section explores the views and experiences of our participants on the impact of the recession on their employment prospects to date, before discussing their concerns about its future impact. However, first we briefly summarise participants’ experiences and views of work in order to put the later discussion in context.
Participants’ experiences and views of work

5.29 Of the 13 participants interviewed for this study, 6 were working.\textsuperscript{32} Discussion suggested that work was valued very highly, not simply financially, but in terms of the social aspects of working with others and the contribution of work to self-esteem and well-being.

“It means an awful lot to me actually, because I’ve been out of work totally for some periods and that’s very grim … it can be quite isolating you know?”

(Participant 11)

5.30 Those who were not working expressed a number of different views on the desirability or financial feasibility of their getting paid work at present. One view was that, although they would like to work, they felt the financial and other support was not there to enable them to do so. For example, one newly disabled participant, who said she did not qualify for Job Seeker’s Allowance or Employment Support Allowance because she had not paid enough National Insurance, was annoyed she was missing out on both the financial and other support associated with these benefits. Another view was that disabled people were “financially screwed” in terms of lost benefits unless they got very well paid jobs. Participants also described negative experiences of trying to find work in the past, which meant that, even though in some cases they said they would like to work, they did not think it was worth actively looking for paid employment at the moment.

“I’d go for interviews and they wouldn’t see by this (INDICATED WHEELCHAIR), you know? … It was either too much insurance, red tape, the place didn’t accommodate the chair … That was such a stressful time.”

(Participant 3)

“I’d be frightened at the end of it (there would be) this big let-down again, because they would say ‘oh, there’s no job’”

(Participant 9, who had a supported employment position taken away last year. She was told there was not enough for her to do)

Impact of the recession to date

5.31 Participants identified various ways in which they thought the recession had already affected employment, including issues relating to the specific area they worked in, the impact of increased competition for (fewer) jobs, and perceptions of changing employer attitudes to disabled people as a result of the recession.

\textsuperscript{32} Two were employed full time, two were employed part time, and two were self-employed or worked on an occasional basis. One worked through a supported employment scheme.
5.32 Participants who were in work cited ways in which the recession had affected the sectors they worked in. In particular, several participants who were involved in delivering disability equality training said demand for this from companies and from the public sector had dropped off noticeably in the last year, with budget constraints cited as the reason for cancelled sessions. Another participant reported that orders from public authorities for transcription for the visually impaired had fallen, while a participant who worked in the Arts felt that the challenge of getting work in this area had got “dramatically worse in the last couple of years.”

5.33 These comments suggest that the way in which the recession impacts on disabled people is not simply a matter of how it interacts with the barriers they face as disabled people. It is also affected by the areas in which different disabled people work. Gore and Parckar (2009) point out that disabled people are more likely to be employed in the public administration, health and education sectors, which may all be further affected by cuts to public sector budgets over the next few years.

5.34 Participants also commented that there are fewer jobs available in general, which made it harder to find work. This was based both on what participants had seen in the news or from looking at the jobs pages, and on experience of applying for lots of jobs but not getting any. As discussed earlier, the scarcity of jobs is not a problem unique to disabled people. However, there was a strong perception that in a situation where there are many more applicants than vacancies, it is easier for employers to decide not to recruit a disabled person. It was suggested that employers with tight budgets will be keen to avoid any additional costs associated with making adaptations to their premises. They may also view a disabled applicant as more of a potential ‘risk’ in terms of their need for time off, for example. This discrimination did not appear to be something participants had experienced directly themselves since the recession started33 – rather, it appeared to them to be an inevitable consequence of recession.

“There’s less choice of a job out there … And if anybody has to spend out money for me to come in, there’s no way they’re going to do it.”

(Participant 3)

“They’re going to think, ‘am I going to take a deaf person, or someone with cerebral palsy, who can do the job and is well qualified, or am I going to take on somebody who isn’t going to present me with any risk?’ Even if there’s nothing in it, people will still think ‘that is a potential cost that I don’t want’”.

(Participant 12)

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33 Though, as evidenced in the quote at the top of p10, they did describe similar experiences that pre-dated the recession.
Concerns about the future

5.35 Concerns about future employment prospects mainly echoed the concerns discussed above about the scarcity of jobs and the possibility of employers increasingly discriminating against disabled applicants. There were also concerns about the implications of future public spending cuts for employment. For example, a participant whose employer was funded by the Scottish Government was concerned about whether this funding would continue and what impact this would have on his job. For those whose employment depended directly or indirectly on public funding, concerns were again characterised by uncertainty and over what the future holds.

5.36 Questions were raised about whether the support that currently exists to help disabled people find and stay in work will remain. Access to Work was described as “a brilliant resource” that needs to continue and that more disabled people should know about. Outsourcing of employment assistance programmes (for example, WorkStep) was also viewed as having the potential to create problems. It was suggested that outsourcing could make services more complicated to understand, and that it might introduce more inconsistency in what is provided in different areas.

Impact on income and expenditure

5.37 According to analysis by the Joseph Rowntree Foundation and the New Policy Institute, around a third of all disabled adults aged 25 to retirement live in low income households – twice the rate for non-disabled adults. Moreover, the proportion of disabled adults in low income households has risen significantly since the mid-1990s. A recent survey of disabled people for Leonard Cheshire found that 42% were finding it difficult to manage on their present income - an increase of 10% on their 2007 figures. They argue that this indicates the economic downturn has already worsened the high levels of poverty experienced by disabled people (Gore and Parckar, 2009)

Impact of the recession to date

5.38 As discussed in the previous section 'Impact on Employment', participants who were employed on an ad hoc basis to deliver training had noticed a drop off in demand for this since the recession started, with a resultant drop in income. Aside from this participants had not noticed any changes to their income as yet as a result of the recession. Those who were receiving benefits all reported that these had stayed the same.

5.39 However, while income had stayed the same, outgoings had increased. Some of the additional expenses participants mentioned will also be incurred by non-disabled people – for example, rising food prices. Others may affect disabled people more. It was commented that rising fuel prices will have a big impact for those disabled people who cannot travel by public transport. Similarly, rising gas and electricity prices were mentioned, with one participant saying they had had to reach a payment schedule to pay for gas and

34 See figures on The Poverty Site, www.poverty.org.uk
electricity several times in the last year. Finally, some costs are specific to disabled people. For example, one participant reported that the council had increased the price of his care package by £20 a month because they said they did not have enough money to pay for it. He felt he would not be able to do as much or save as much as a result of this additional cost.

Concerns about the future

5.40 Although participants’ benefits had not been affected by the recession at the time of the interview, there was strong concern about potential future changes to the benefits system. Again, these concerns were characterised by uncertainty over exactly what the future holds. There was a perception that the amount of money participants currently received through benefits was the ‘bare minimum’ required. As such, the prospect of cuts was extremely worrying and would mean major changes – for example, having to move house, go out less, or cut back on valued cultural or social activities:

“The new government’s in now, they’re saying that we – the public – have to pay for the deficit … And I’m thinking, ‘Right, how’s that going to affect me?’ … If they cut my benefit, you know, what am I going to do? … Would they cut my benefit? I don’t know.”

(Participant 4)

“I get housing benefit which … well, is allegedly to be cut … but whether that is going to affect me I’m not quite sure of that. But the truth is that without housing benefit and council tax rebate I wouldn’t be able to afford to live in Edinburgh.”

(Participant 5)

5.41 The issue of the planned re-assessment of all Disability Living Allowance and Incapacity Benefit claimants by 2013 was discussed by several participants. Concern about this varied – one view was that it added to their uncertainty about what benefits they would be entitled to in the future, and that the reassessments could end up targeting the wrong people. But another was that it is unlikely to impact on people who are “genuinely disabled” and is a good thing, as it will uncover people who should not be claiming it.

5.42 Concern was also raised over the impact of changes to eligibility rules for the Independent Living Fund. There was a perception that this might mean fewer disabled people can live on their own in the future. Doubts were expressed over the likelihood of previously announced increases to benefits for disabled people – for example, moving blind people from the middle to the higher rate of mobility allowance – actually materialising.

35 Gore and Parckar (2009) report that 41% of disabled people state that they have higher utility bills for reasons connected with their impairment.
5.43 In terms of future increases in expenditure, there was a perception that care costs will continue to increase. There was also a concern that because disabled people are on low incomes, they will be disproportionately affected by the 2011 VAT increase:

“If the government keeps imposing indirect taxes in order to plug the hole caused by the bankers … then people like me, who are already not very well off, are going to become poorer and poorer.”

(Participant 12)

5.44 Suggestions as to how the government might help disabled people on low incomes during the recession included: giving more help with things like prescriptions, travel expenses and clothes (which can be an extra expense for wheelchair users as they tend to get ‘snagged’) and help and support with budgeting.

Impact on services and support

Participants’ use and experience of services

5.45 As discussed in Gore and Parckar (2009), because disabled people are more likely to be on low incomes, they are also more likely than non-disabled people to rely on public services, like healthcare, social services and public transport. Before discussing views of the impact of the recession on public services, this section briefly discusses the range of services (including those provided by the voluntary sector) participants used, and their views of these. This is both to provide context for the discussion that follows and to provide some indication of the importance of particular kinds of services to disabled people (though of course, given the small sample size, there will inevitably be many services that are not mentioned here, but are considered vital by disabled people).

5.46 Unsurprisingly, given that disabled people are a diverse group, participants varied widely in the extent to which they used public services and the types of services they used. Services/support used by participants included:

- Support services in the home
- Day support outside the home
- Advice and information services
- Health services
- Transport
- Education
- Libraries
- Befriending schemes
- Sports and leisure services.
**Support services in the home**

5.47 This covers both help with personal care and with cleaning, cooking and other household tasks. Some participants used formal services, while others paid a friend or family member to help them. Among participants who used these services, level of use varied from 5 hours to 33 hours a week.

5.48 Participants who used home care or support services considered them essential in enabling them to live independently. However, they also mentioned a number of problems they had experienced with home care services, including: being allocated late morning time slots, meaning the participant had to wait in all morning; workers arriving later than agreed or not showing up at all; support being unavailable on bank holidays; support workers being unable or unwilling to do the specific household chores disabled people needed help with; and support workers failing to recognise or respect that they are in someone’s home and personal space.

**Day support outside the home**

5.49 Some participants also used support workers outside the home, to help them attend activities and/or work. Again, this was clearly viewed as essential support to live an active life.

**Advice and information services**

5.50 Advice and information services mentioned by participants included: a Living with MS (Multiple Sclerosis) group run by the NHS; services provided by local authorities, including Welfare Rights and Visual Impairment services; and Capability Scotland. Participants commented on the importance of having these signposting and information services, particularly in the context of changes to government and public services:

“For me, information is key to be able to ‘unpick the locks’ if you like, so that people can understand what they’re entitled to. And what tends to happen is when a new government comes into play, the locks change if you like. You get kind of a ‘change of the guard’ and you have to sort of re-learn it again. And it can be quite difficult for someone with a disability – or anybody.”

(Participant 6)

**Health**

5.51 Although most participants did not need to use the NHS very much, a participant who had recently been diagnosed with MS mentioned receiving support and advice from a specialist MS nurse. Another participant, who felt that she had exhausted what conventional medicine could do for her, had used alternative therapies provided at a homeopathic hospital as a way of coping with her condition.
Transport

5.52 Participants with mobility problems mentioned using the taxi card and dial-a-bus schemes, and cars paid for through the motability portion of their Disability Living Allowance. A participant who was blind used the Scottish Blind Person’s Travel Card to travel by train. Although disabled person’s bus passes were mentioned, participants also discussed the difficulties they faced using public buses, which sometimes meant they relied mainly on private transport and taxis. Participants’ comments again highlighted the importance of appropriate transport services to supporting disabled people in living active and independent lives:

“If I didn’t have access to my dial-a-bus, that’s a whole knock-on domino effect because then that affects my social life, because the dial-a-bus brings me here (place she volunteers at) … So take the dial-a-bus away, I’m stuck in the house.”

(Participant 3)

“That (motability car) is my lifeline … I couldn’t do without that.”

(Participant 11)

Educational activities

5.53 Participation in education ranged from formal courses aiming at a qualification to less formal classes and groups. Participants mentioned using the Independent Learning Fund to pay for more formal courses. Other classes and groups were provided by charities and the public sector, either at specialist day centres for people with learning disabilities, or at other venues like church halls and a music studio set up specifically for people with autism.

5.54 Participants with learning disabilities in particular attended a lot of less formal classes and groups in a wide range of subjects, including cooking, art and craft, and music. They clearly placed a high value on both these classes and on the specialist centres where they were provided.

Interviewer: And if the (name of day centre) was to close, what would that mean for you?

Participant: Well, it would probably mean that I’d stay at home and probably drive my mum and dad up the wall no end! But … no … I would be bored silly. I’d have nothing to do … When you take that out of it, there’s not a lot there.”

(Participant 9)

36 Echoing findings from many other studies – see, for example, Dobbie, McConville and Ormston (2010) Understanding why some people do not use buses, Scottish Government Social Research.
“Music and Capability\textsuperscript{37}: they’re the two most precious things that there are in my life at the moment.”

(Participant 10)

Other services

5.55 Other services mentioned by participants included libraries, a befriending scheme, and sports/leisure services (e.g. swimming, gym, and holidays organised through organisations like Disability Snow Sports UK\textsuperscript{38}).

5.56 Participants again varied in the extent to which they felt the recession had already started to have an impact on services. However, they described a number of recent negative experiences of services and support which they attributed to the recession. These included: changes to home and day support services; changes to respite care; delays in the provision of equipment; changes to the services and activities offered through day centres and other service providers; and reductions in the availability of publications in different formats through both libraries and councils.

Changes to home and day support services

5.57 Examples of changes to services to support independent living which participants thought were results of the recession included:

- Increases in the charges councils levy for home care/support services. As discussed earlier, a participant whose care costs had increased by £20 a month said he was told by the council “Basically, we haven’t got any money.”

- Cuts to the hours of home support disabled people can access. Although none of the participants had experienced cuts to their own hours, they were aware of other disabled people having experienced such cuts. It was suggested this reflected both council budget constraints, and that some disabled people who paid for their own care could no longer afford the hours they used to pay for.

- Knock on impacts from the recession on the ability of family and friends to provide help. A participant who was paying her friends and family to help with her personal care said she had recently noticed that they cannot always come when she needs them, because they need to work extra hours in their jobs.

- Changes to the quality of care provided. The mother of a participant with learning disabilities said that over the previous 3 months, her daughter had stopped getting the carers she preferred (and who had been trained by a physiotherapist in how best to help her). She thought this was probably

\textsuperscript{37} His support workers from Capability Scotland, who take him to different activities once a week.

\textsuperscript{38} Disability Snow Sports UK arranges support, equipment and transport for disabled people and aims to keep the price of the holiday at the same level a non-disabled person would pay.
because the carers her daughter preferred lived further away, and therefore incurred more in travel expenses.

**Changes to respite care**

5.58 The same mother also commented that respite care seemed to have become more difficult to organise since the recession. Previously they were able to arrange a couple of hours of respite care at short notice directly with a social worker, but now all requests were being processed by a committee. It was suggested this was a result of budget constraints on the social work department:

“So if I was ill one morning, tough … there’s nobody, they can’t give you any help.”

(Mother of participant)

**Delays in the provision of equipment**

5.59 Participants commented on the increasing length of time it was taking them to get equipment they needed because of their impairment. For example, one participant had been waiting 8 months for a roll-in chair for her shower room, during which she had fallen getting in and out of the shower several times. While she was not sure if this delay was a result of the recession, she thought it was connected, since she was originally told she would only have a 6 month wait. Another participant felt it was taking longer than it had in the past to get basic things like shower chairs, and that he was being pressed to justify why he needed replacement equipment more:

“Even walking aids, for example … that (the walking aid) is my legs in essence, so if that doesn’t work I can’t go anywhere. And then they’re trying to say, ‘You go through too many’, or, you know, ‘you’re using them too much’.”

(Participant 6)

**Changes to services and activities provided at day centres**

5.60 Participants who used day centres did not generally report having noticed much recent change in the services available. However, a participant who volunteered at one reported that they had already made changes to the variety of activities on offer because of budget constraints. The centre’s funding had not been increased for a number of years, meaning they could not afford to pay for as many specialist teachers to lead things like arts and crafts classes, for example. She felt this was having a detrimental impact on activities that aimed to improve people’s quality of life, build confidence and possibly move them to further or higher education.

5.61 Another participant who had been using a centre for people with learning disabilities for over 30 years reported that he no longer goes on day trips with them, because of changes to the resources available to the centre (it was unclear whether or not this pre-dated the recession, however).
Reductions in the availability of publications in different formats

5.62 A participant who was blind commented that he had noticed his library was getting a lot fewer audio books recently. As these are both expensive and an important part of his life, this was having a negative impact. He also reported that his local council had stopped sending him their public services magazine in an alternative format.

Concerns about the future

5.63 As discussed earlier, participants varied in the extent to which they expressed concerns about the future impact of the recession on services. Again, a recurrent theme was uncertainty about exactly what would be cut and how this would impact on them:

“I think it’s possible the fact that services will be cut, you know? Will they cut my Dial-a-Bus? … Will I get my chair for going into the shower? Will I get any equipment that I will need? You know? These are the fears I have.”

(Participant 3)

5.64 Participants also discussed concerns about the impact of budget cuts on services that they felt were already struggling to provide adequate support for disabled people, in relation to social care in particular:

“I fear what … it’s going to be like for us in the future … I realise they have to make cuts, but I was listening to something on … Radio 4 Today programme the other week and the services … frontline services that will be cut most is social care, and like I just feel that we’re being constantly, constantly squeezed.”

(Participant 4)

“If it (social care) was that bad before the recession, what’s it going to be like now?”

(Participant 12)

5.65 In addition to concern about the impacts of further cuts generally on the areas already discussed above, other areas people were concerned about included:

- **Transport** – both in terms of reductions to services like Dial-a-Bus (mentioned above) and any changes to levels of or entitlement to the Mobility component of Disability Living Allowance. A participant who was blind wondered if the Scottish Blind Person’s Travel card would continue in its current form in the future. If this were cancelled or if he had to pay for it, he felt it would have a “major effect” in terms of flexibility and choice over where he goes and how many journeys he makes.

- **Information and advice services** – A participant who had recently been diagnosed with MS was concerned that a ‘Living with MS’ course, which
she had particularly valued in terms of its breadth of coverage, signposting functions and the opportunity to meet other people with MS, would not be repeated. She had not heard anything more about when it would run and thought this was to do with money.

- **Flexibility of service provision** – for example, whether or not providers will be able to offer to visit disabled people at their own homes in the future. A participant who lived relatively far way from most local service providers had received a number of home visits, which she had appreciated. However, she wondered if that would be stopped in future if it was not deemed “absolutely necessary”.

- **Impact of re-tendering of services on quality** – There was apprehension over whether changes to providers of social care, home help and employment support services would mean a reduction in service quality. Several specific re-tendering exercises were mentioned in this respect, which were viewed as primarily cost-saving measures.

- **Closure of day centres** – a participant with learning disabilities who had used the same day centre for over 30 years was concerned about what would happen if it closed down. Although closure had in fact recently been discussed and decided against, the possibility that this might happen at some point in the future still appeared to worry him. He emphasised that “A lot of people are in the same boat, a lot of people go there every day” (Participant 7). This highlights the effect that uncertainty over future funding for services can have in terms of concerns among service users.

- **Funding for leisure initiatives** – it was noted that voluntary organisations that arrange holidays or other leisure activities for disabled people are often reliant on grant making bodies, which in turn are seeing less revenue from their investments because of the recession. A participant who was involved in running a local leisure initiative aimed at disabled people confirmed that getting funding for this was harder than it had been in the past.

- **Accessibility of services** – just as concerns were raised about employers’ willingness to spend money on adjustments for disabled employees in a recession (see Chapter 3), concerns were also raised about whether public bodies and businesses who provide goods and services would be more resistant to making their premises accessible:

  “People will be less willing to spend and they will be more able to say ‘look, I can’t afford it’ ... And that will affect only disabled people.”

  (Participant 12)
Other impacts

5.66 In addition to impacts on employment, income and services, participants also discussed the impact of the recession on discrimination and attitudes towards disabled people, and on housing and communities.

Impact on attitudes and discrimination

5.67 As discussed throughout this chapter, concerns were expressed about the impact of the economic downturn on the attitudes of:

- **Employers.** It was suggested that in a recession employers might be more unwilling to employed disabled people, both to avoid any expenses associated with adjustments to the workplace, and because they might view disabled people as more of a ‘risk’.

- **Service providers and businesses,** who may be similarly less willing to adapt their premises, and

- **The public.** There was a belief that public attitudes towards disability would also be harder to change in a recession and might even become more negative. As disposable incomes fall and prices increase, resentment against people who are on benefits in general may rise. At the same time, the wider public may be less supportive of investing the resources required to support disabled people to work, or to live independently, in the context of increased pressures on public spending.

> “Trying to change attitudes in a recession is harder because you need to put more resources in place for the person with the disability.”

(Participant 6)

Impact on housing and communities

5.68 A participant who lived next to a new housing development described the ways in which she felt the recession had impacted on the character of this development and the wider community she lived in. Because developers were struggling to sell the properties as a result of the recession, they were turning more of them into student accommodation. Similarly, she thought that landlords who wanted to avoid the cost of Housing of Multiple Occupancy licenses were letting out more properties in the area as weekend lets. These developments were seen as having a negative impact on the character of the area, which was becoming a “ghetto for transients”, with associated problems relating to parking, for example. These types of impacts were things that “Affect everyone, regardless of whether they’re disabled or not” – highlighting again that in some areas disabled people are affected in much the same ways as non-disabled people.
Summary

Although based on a small number of interviews, this chapter nonetheless highlights a wide range of areas where disabled people either feel they have already been affected by the economic downturn, or have serious concerns about the future. A number of the issues raised are not unique to disabled people – more competition for fewer jobs, possible redundancies, and uncertainty about the impact of changing public sector budgets on employment, benefits and services, are all issues that are likely to be worrying many other people in Scotland. Moreover, disabled people are not a homogenous group. Their experience of the recession is affected by a range of factors - including their work status, income, level of use of different kinds of services, and the nature of their impairment.

However, while it is important to keep these issues in mind, it was also clear that participants felt the impact of the recession on disabled people was exacerbated by the barriers they already faced. Further, in some areas the recession has the potential to increase these barriers, and thus put disabled people at an even greater disadvantage relative to the rest of the population. There was also a strong view that, although it was possible to identify some ways in which the recession was already impacting on disabled people, the impacts would be even greater in the future. This highlights the importance of continuing to monitor the experiences of disabled people as the impact of changes to public sector budgets becomes clearer.

The interviews also highlighted the particular importance of services in terms of both supporting disabled people to live independently and enabling them to participate fully in society. Home care and targeted employment support services clearly play a key role here, but so too do transport, advice and information (including alternative formats), and educational, sport or leisure activities provided through specialist day centres and other organisations. As discussed in this chapter, any changes to these services may have major impacts for disabled people. As such, it will be essential for all public sector bodies to take disabled people’s views, experiences and needs into account when assessing the possible impact of any changes or cuts to services.
6. **CONCLUDING COMMENTS**

6.1 It is clear that in the same way as certain individuals and groups are positioned to thrive in times of prosperity, so are we *unevenly positioned* to ‘cope’ in times of economic difficulty. This report draws out some of those differences in terms of Scotland’s main equality groupings.

6.2 Scotland, like the UK, continues to carry *deep rooted and systemic inequalities* in how its people flourish and make progress. Despite some important progress, certain inequalities, especially in income and health, are persisting and deepening.

6.3 This recession threatens to *deepen existing inequalities*, further distance certain individuals and groups from opportunity and prosperity, and even create new inequality as differential impacts take hold.

6.4 In particular, *young people* with few skills are likely to be differentially and adversely affected by the displacement of opportunity in the course of this recession.

6.5 It appears that individuals and households furthest from the workplace are of *low resilience* in terms of financial capability and skills, and generally do not consider themselves to be ‘coping well financially’ either. Combined with certain cost differentials experienced in areas of deprivation, these people are having to pay more, with less, and with little ‘back-up’.

6.6 In the workforce, there are some signs that the ‘hard-won ground’ of women, ethnic minority and disabled people might be easily lost in a more competitive workplace. Whether this is a *‘stalling’ of progress* in these areas or a regression is not yet clear.

6.7 Disabled people, the low skilled and young unemployed have *suffered a more substantive ‘set back’* in this recession, and carry fewer ‘protective factors’ into the future in order to reclaim ground.

6.8 Adopting a *person-centred* approach to service delivery allows better consideration of an individual’s multiple equality characteristics. The way in which services are adjusted or cut may inadvertently deliver several, layered differential and negative impacts on one individual.

6.9 Where there is a clustering of such individuals in *a place*, there is likely to be a substantive effect on social cohesion.

6.10 There is *deep anxiety and uncertainty* based on a lack of information and consultation about how changes to funding will affect service users and their families.

6.11 The *public and voluntary sectors where women and disabled people* are employed most, are those facing uncertainty and loss of security.
6.12 Scotland’s public sector represents more equal employment opportunity than other sectors: budget adjustment consequences here need to be understood for their differential impacts on equality individuals and their households, and for the overall impact on Scotland’s progress on inequality. As such, the public sector represents the best opportunity to redress inequalities that are deepening elsewhere in the workforce.

6.13 There is a potential ‘double whammy’ for equality groups, especially women, and disabled people and older workers, when both their services and their employment are reduced in budget adjustments.

6.14 It is important to maintain investment in the protective factors that deliver resilience to equalities groups (financial capability training, bank accounts, encouraging saving, skills training, confidence raising, widening access to opportunity).
7. REFERENCES


Equality and Human Rights Commission and Department of Work and Pensions (June 2009). Monitoring the impact of the recession on various demographic groups. (Equality and Human Rights Commission and Department of Work and Pension)


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