



31st October 2024

MEDIA STATEMENT

Muslim Women's Network UK's response to Labour's first budget statement

Muslim Women's Network UK (MWN UK) congratulates Chancellor Rachel Reeves on delivering Labour's first Budget and also making history as the first woman ever to deliver the UK's budget. While the budget offers hope with many positive announcements, we also have some concerns.

Carer's Allowance

We are pleased that the earning limit for carers has increased by £45 per week which means those who provide care for at least 35 hours a week to the disabled, sick and elderly can now earn the equivalent of 16 hours at the National Living Wage (i.e. £195.36). This will particularly help Muslim women who are amongst the highest percentage of unpaid carers and have the highest unemployment rates.

National Living wage

We welcome the positive step to increase the National Living Wage from £11.44 to £12.21 because women (and particularly those from minoritised communities) are more likely to be in lower paid work.

Employer's Tax

As a small charity, we are very concerned about the impact of rising wage expenses. The increase in employer National Insurance contributions from 13.8% to 15%, along with the lowered threshold from £9,100 to £5,000, places additional strain on our resources. While the Chancellor's decision to raise the Employment Allowance from £5,000 to £10,000 provides some relief, small charities like ours will still face significantly higher wage bills. This is further compounded by pay increases, such as the rise in the national living wage and inflation-driven pay adjustments.

VAWG

Although the Government has pledged to halve violence against women and girls, there was no funding announcement for specialist services. More dedicated and accessible funding is urgently needed, with criteria that do not create barriers for minoritised women's groups, as was the case under the previous government.

Hate Crime

Given the riots over the summer and rise in hate crime particularly towards Muslims, we are disappointed not to see any announcements of funding to tackle hate crime / Islamophobia.

MWNUK CEO, Baroness Shaista Gohir said: "*The empowerment of women is crucial for Britain's economic recovery. Although the recent budget includes promising measures that will put more money into women's pockets, I am deeply concerned about the women's charity sector because it is a vital source of support for women and a significant source of employment and volunteering, (which is often a stepping to paid work). However, it now faces severe challenges due to rising wage bills driven by increased employer national insurance contributions and pay rises. These pressures are compounded by a highly unstable funding environment and a growing demand for services. This situation is unsustainable and unfortunately, this will lead to reducing services and even closure of women's charities and community groups. We need the Chancellor to do more to help our sector.*"

Additional Information

- Media enquiries can be directed to: contact@mw nuk.co.uk or 0121 2369000
- Muslim Women's Network UK is a national charity and more information can be found on its website: <https://www.mw nuk.co.uk>
- MWN Helpline (national specialist faith and culturally sensitive helpline) can be contacted on: TEL: 0800 999 5786 / Email: info@mw nhelpline.co.uk / Text: 07415 206 936 and further Information can be found here: <https://www.mw nhelpline.co.uk/index.php>