



RESEARCH CENTRE



COSTING OUR FUTURES

Young Women in the Cost of Living Crisis 2023

Introduction

In 2022, our annual survey highlighted the devastating impact the cost of living crisis was having on young women. This year, we found that things have gone from bad to worse.

Earning less than men of the same age to begin with, young women have had even fewer resources to get them through. And given barriers like the cost of childcare, lack of flexible working options, and direct discrimination, they have fewer routes to increasing their incomes in order to cope. This year, young women are saying their financial situation has got worse, they're more likely to be struggling to make their cash last to the end of the month, and getting into more debt.

While the cost of living crisis is affecting everyone, the gulf between young women's experience of it and young men's seems to be growing – a symptom of a deeper inequality that exists right from the start of working life.

Later in the year we'll release further data from our 2023 survey delving into the underlying causes of the precarious financial situation that women are in – the barriers to decently paid work that young women face and the inequality they experience when they are in the workplace.

For now, this snapshot paints a grim picture which we hope acts as a wake up call that young women are struggling and their futures are at stake.

Methodology

We spoke to a representative sample of 4,061 18–30 year old young women in England and Wales and a comparison group of 1,049 young men. Fieldwork was carried out between 19 June and 1 July 2023.

The overall sample of young women contains 73 responses from trans young women and 64 responses from people who identify as non-binary. For the sake of brevity, we will refer to this group as 'young women' throughout the report.

The 2022 survey used as a comparison was carried out between 11 and 19 April 2022, with 4,075 young women aged 18–30 and 1,040 young men. The survey included 51 responses from trans young women and 64 people who identified as non-binary.



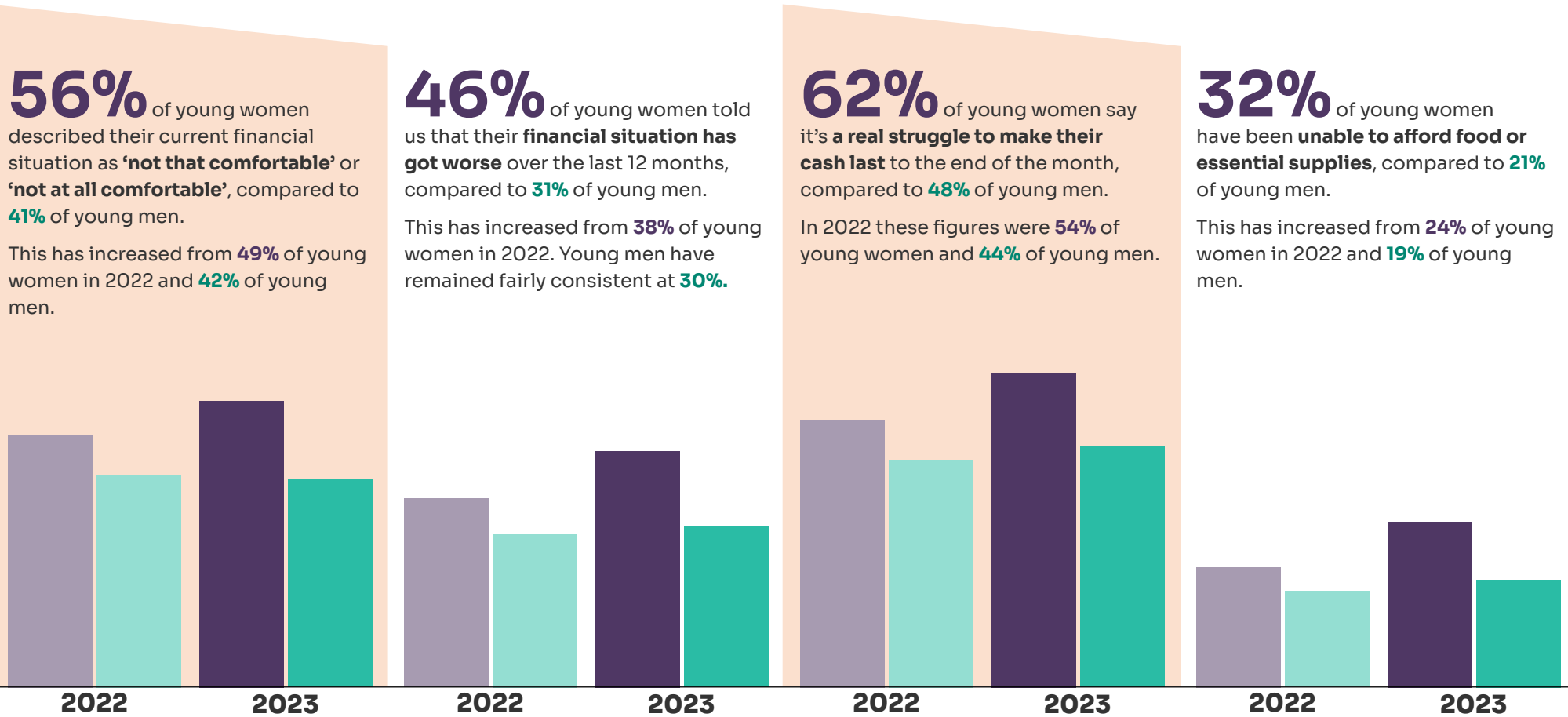


COST OF LIVING AT A GLANCE



The impact of the cost of living crisis on young women is worsening, and the gulf between young women and young men is growing.

Young men’s experience seems to be stabilising whereas young women’s has got substantially worse, and the gap is widening.



Shocking numbers of young women are filled with dread when they think about their finances.

58%

of young women are filled with dread when they think about their finances...

...a rise from **52%** in 2022.

This figure was **27%** in 2020.

44%

of young men feel this way...

a smaller rise from **42%** last year.

This figure was **21%** in 2020.

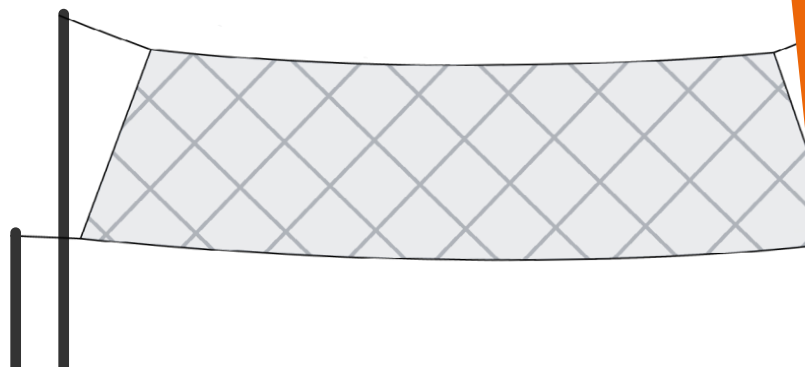
The cost of living is forcing young women to make impossible choices.

27% have had to choose between heating and eating, up from **23%** in 2022.

40% of young women with children sometimes have to choose between **feeding themselves and feeding their children**, up from **30%** in 2022.

This figure rose to **52%** for young women with children in receipt of benefits.

DEBT AND SAVINGS



Young women are increasingly in debt.

33% are in **debt all the time**, compared to **23%** of young men.

This figure has increased from **29%** in 2022.

31% say their **level of debt has got worse** over the last year, compared to **23%** of young men.

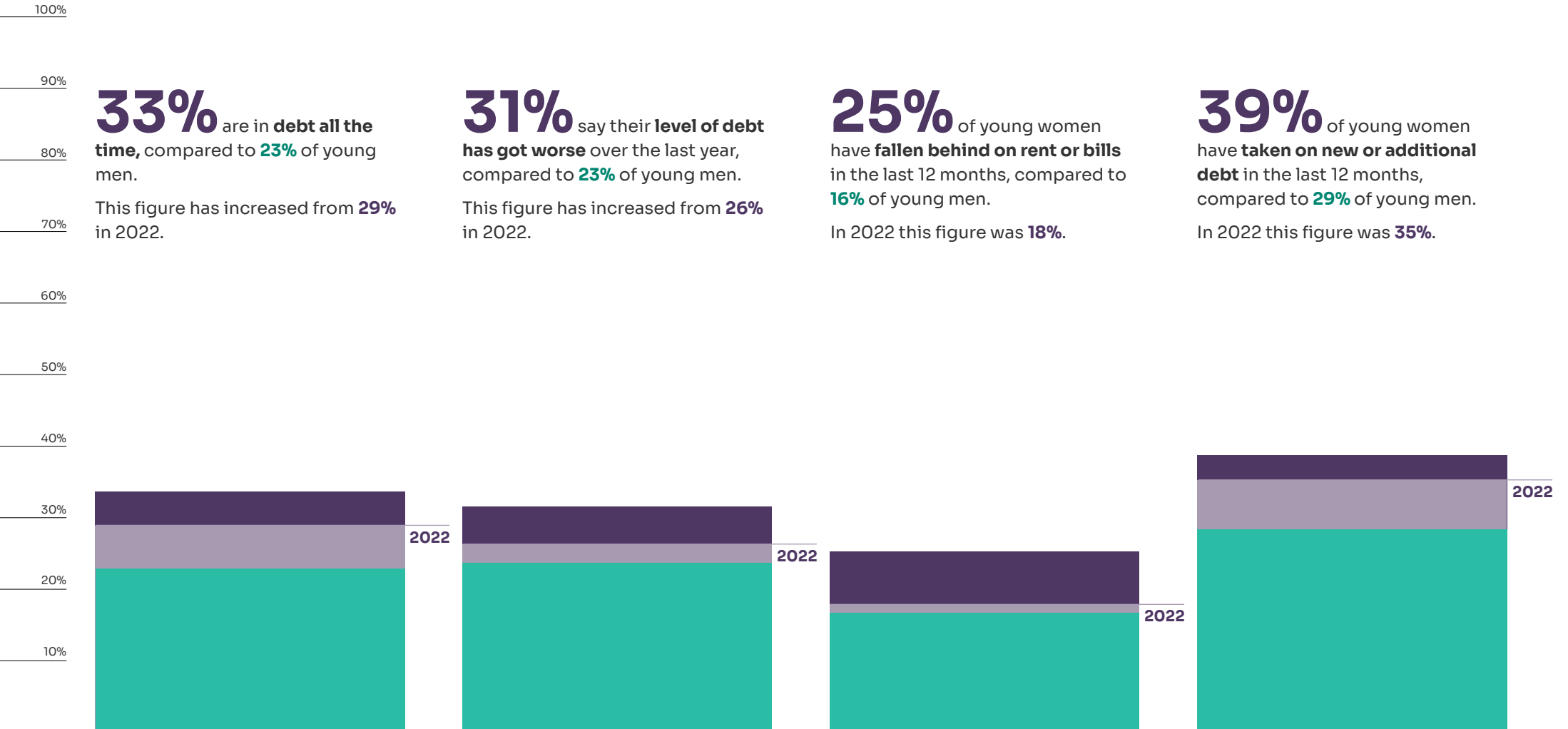
This figure has increased from **26%** in 2022.

25% of young women have **fallen behind on rent or bills** in the last 12 months, compared to **16%** of young men.

In 2022 this figure was **18%**.

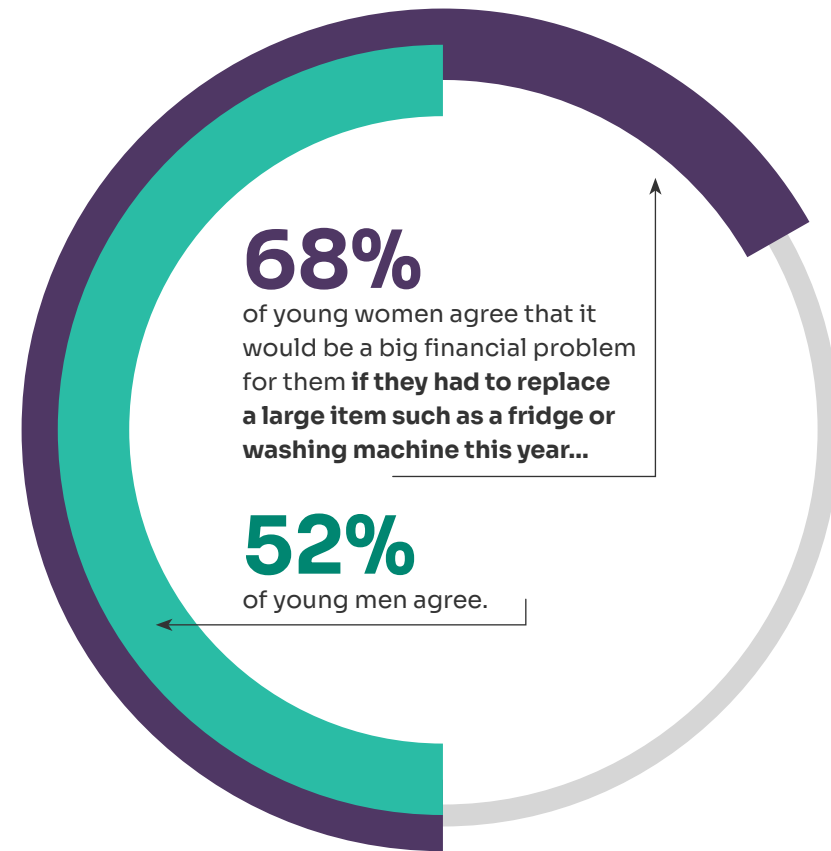
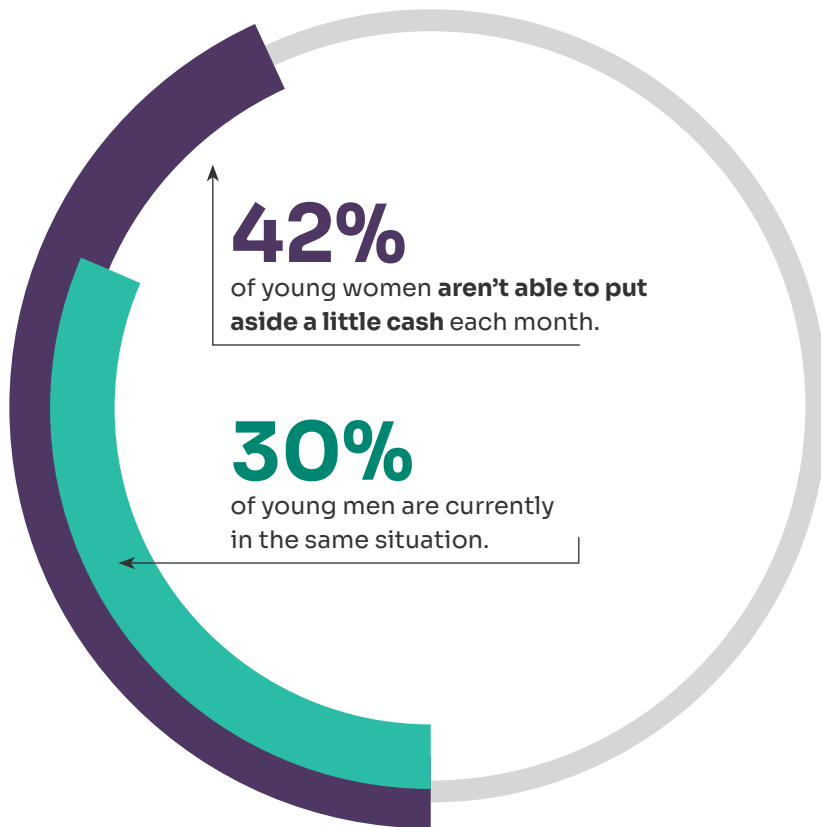
39% of young women have **taken on new or additional debt** in the last 12 months, compared to **29%** of young men.

In 2022 this figure was **35%**.



Fewer young women than young men are able to save.

This sets their future financial prospects back even further, and means they're less likely to have any sort of financial safety net.

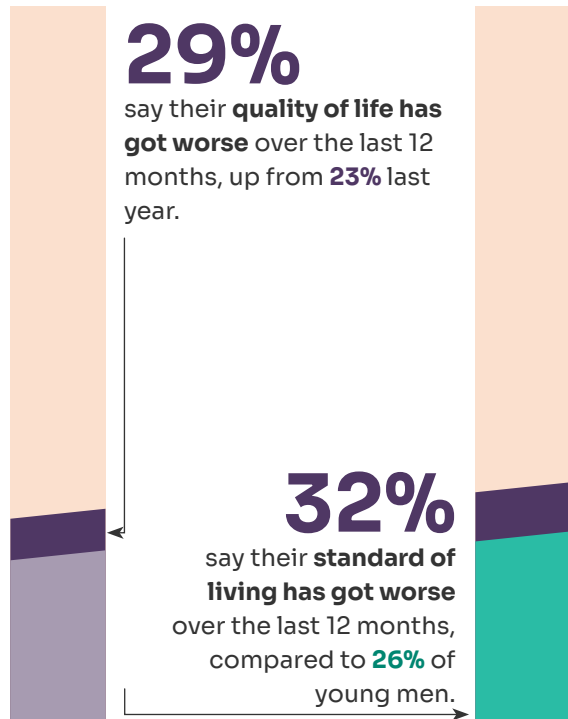


IMPACT OF THE COST OF LIVING



The cost of living is having a huge impact on young women's quality of life.

Again, there is a growing divide between how young women and young men are feeling the impact.



It's taking a huge toll on young women's health and mental health.



For some, it's trapping them in situations where they're not safe or are being treated unfairly.



COSTING YOUNG WOMEN'S FUTURES



As well as struggling here and now, young women are losing hope for the future.

24%

say their future prospects have got worse over the last 12 months.

...a rise from 19% in 2022.

35%

say their hopes for the future have got worse.

...up from 31% in 2022.

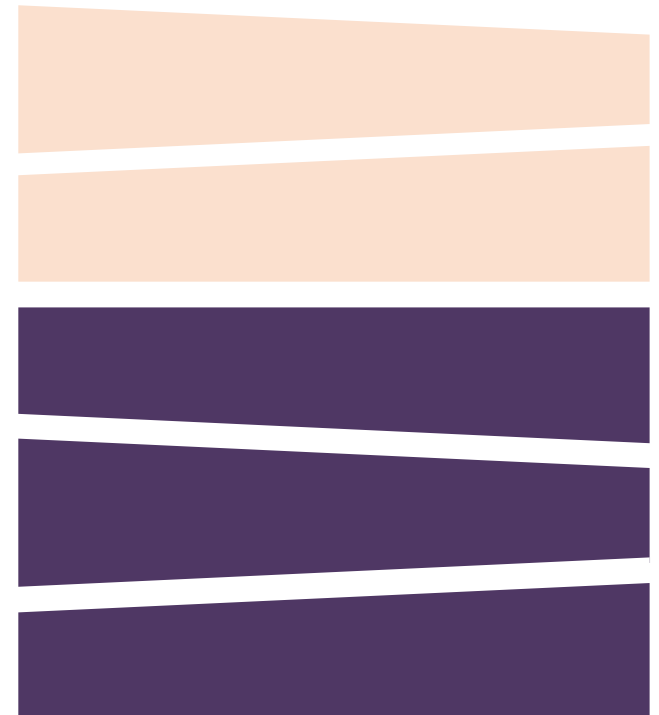
“The cost of living crisis, including water bills and council bills are chipping away at my future.”

| Beth

And many young women are putting off having children.

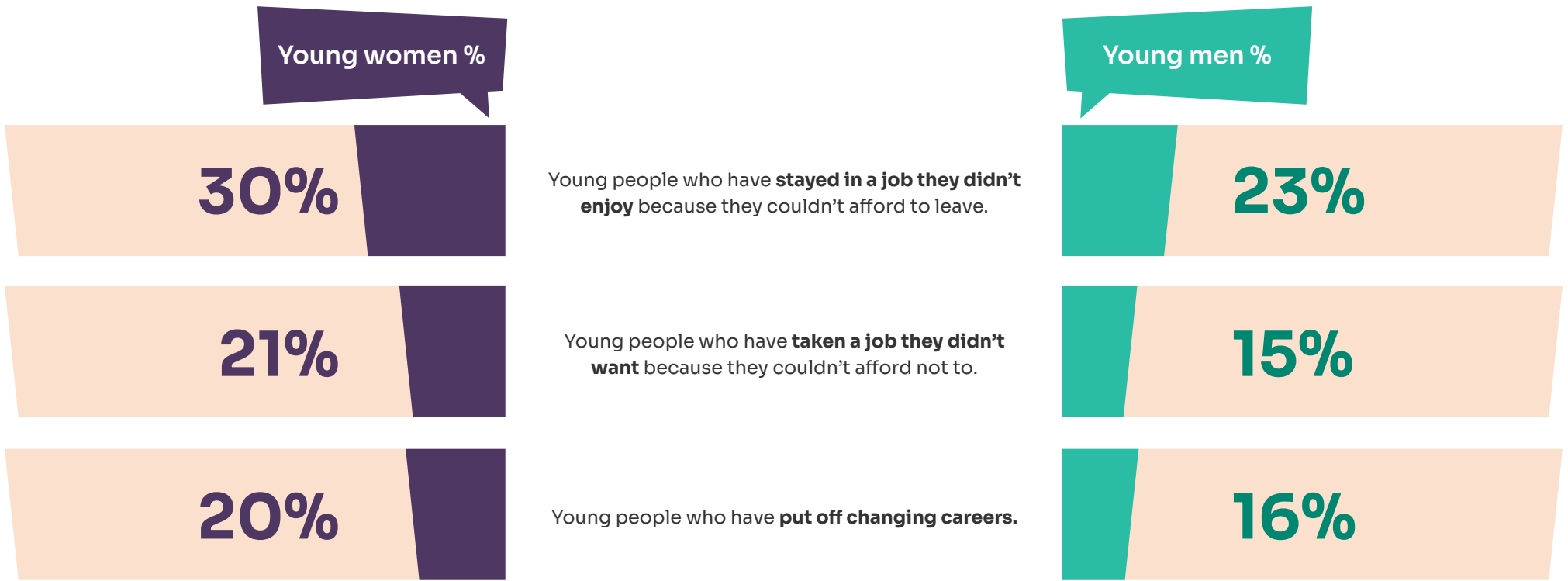
Almost 3 in 5

(58%) of young women agree that they will have to put off having children until they can afford to have them.



The cost of living is limiting young women's options.

It's keeping many young women stuck in jobs they don't enjoy – preventing them from fulfilling their aspirations.



“I’m in a real catch 22 as there could be work for me in London and I could be with my partner – but the types of work on offer don’t position me as a good rental candidate and I wouldn’t be accepted.”

| Isabella

SUPPORT



Young women are facing greater challenges than young men – but with less support.

45%

of young women know where to get support to manage their finances.



59%

of young men know where to get support to manage their finances.



“I’m living life but I’m not enjoying it. I’m not able to do the things that I want to do. When I look at my male peers, they’re so much more in the moment and worry less about the future. They’re also much more confident in thinking that job security will come eventually. I can’t help but worry about the future.”

| Shanti



You can find more information from Young Women’s Trust about how to get support with your finances [on our website](#).

Spotlight on
YOUNG MUMS



As with last year's survey, young single mums are feeling the effects of the cost of living crisis most harshly.

60%

are **not comfortable financially** – up from **55%** last year.

Of our overall sample of young women, **56%** were not comfortable financially.

41%

of young single mums and **37%** of young women with joint childcare responsibility **have been unable to afford food and essential supplies in the last 12 months** – compared with **32%** of young women overall.

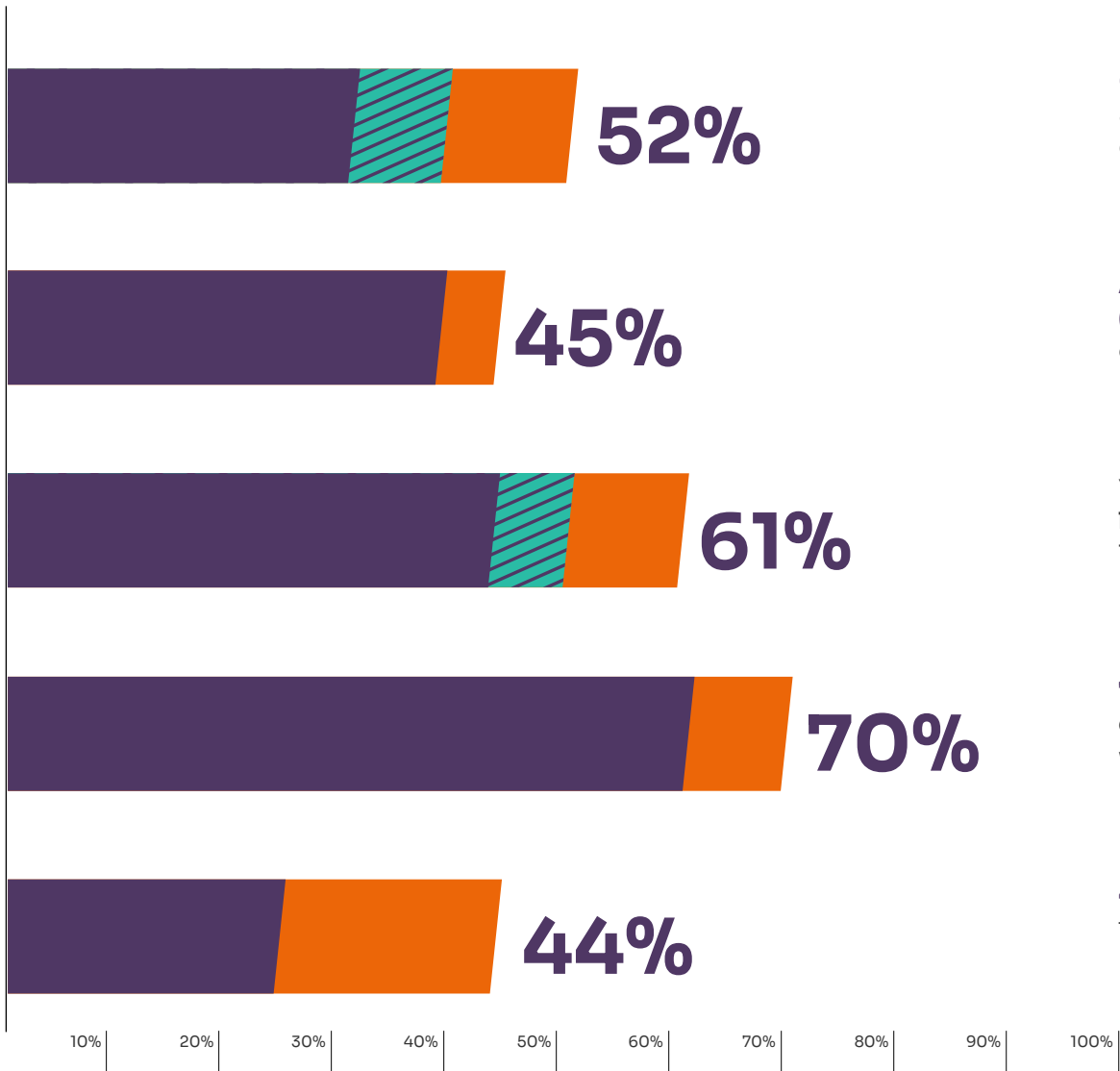
Young women with children are still feeling extremely high levels of dread about their finances, though this has reduced a little from last year.

69%

of young single mums are **filled with dread when they think about their finances**, a small decrease from **73%** last year. **66%** of mums who are part of a couple feel like this.

This compares with **58%** of young women as a whole.

Young mums are more likely to be struggling to save and getting into debt.



Over half of young women with sole childcare responsibility (52%) and 40% of those with joint childcare responsibility say they are in debt 'all the time', compared with a third of young women overall.

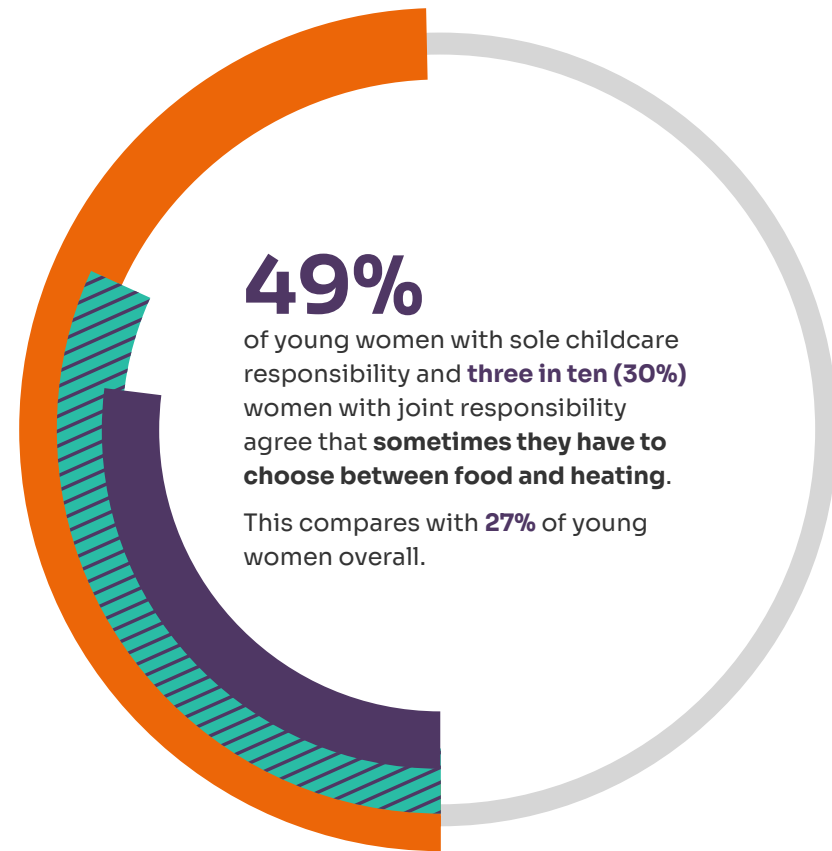
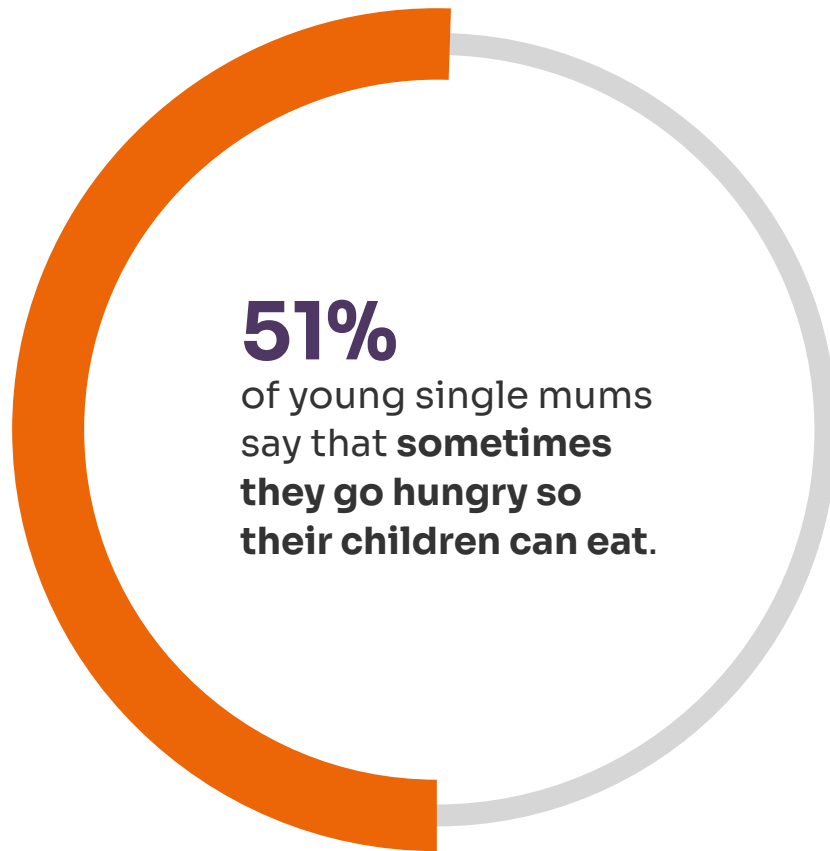
Almost half of young women with childcare responsibilities (45%) have taken or new or additional debt in the last 12 months, compared to 39% of all young women.

Young single mothers are more likely (61%) to use 'buy now, pay later', as are young women with joint childcare responsibility (51%). This compares with 44% of all young women.

70% of young mums agree that it is a 'real struggle' to make their cash last until the end of the month, compared to 62% of all young women.

44% of young single mothers have fallen behind on rent or bills in the last 12 months, compared to a quarter of all young women.

As with last year, mums are much more likely to be forced into impossible situations - like having to choose whether to feed themselves or their children.



Spotlight on
**YOUNG WOMEN
IN RECEIPT OF
BENEFITS**

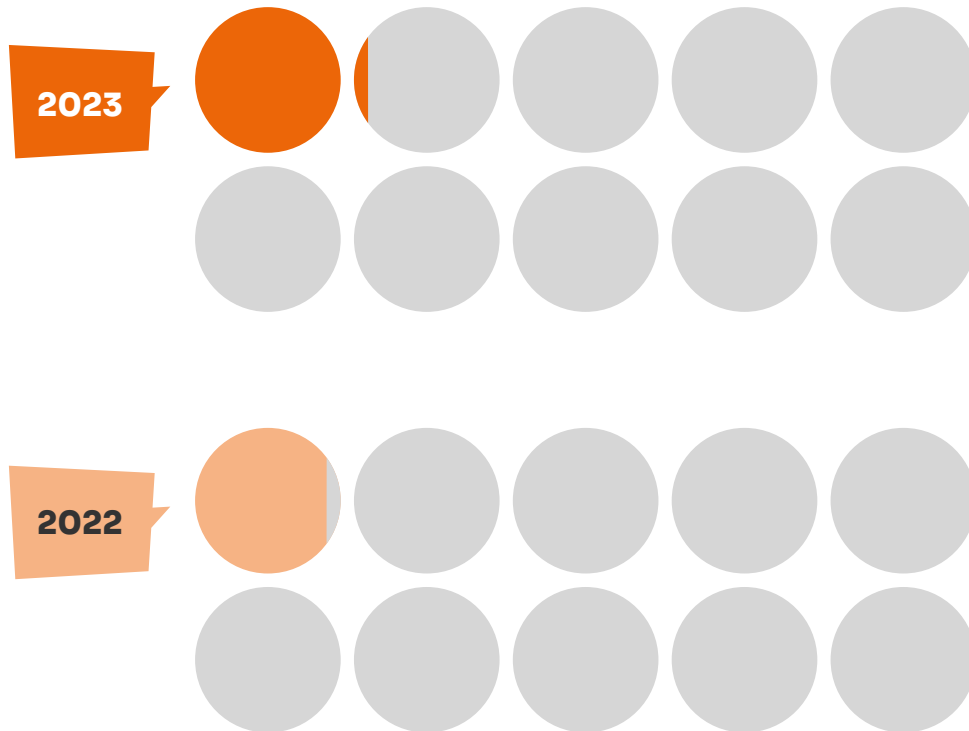


More young women this year than last year are claiming benefits for the first time.

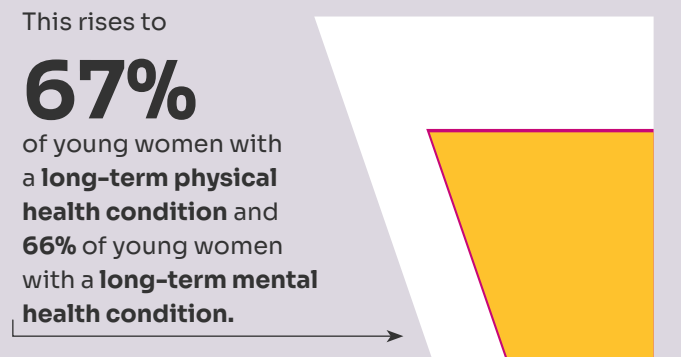
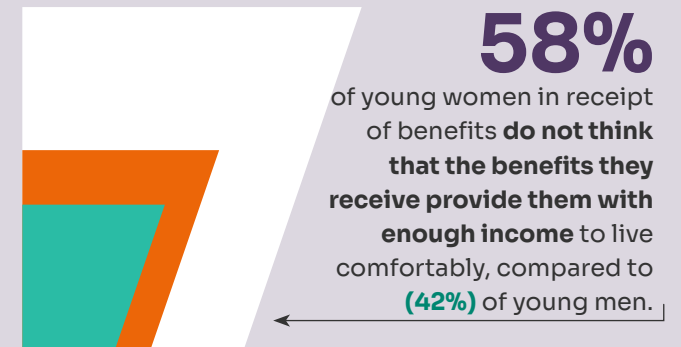
11%

of young women have **claimed benefits for the first time** in the last year.

Last year, 9% said this was the case.



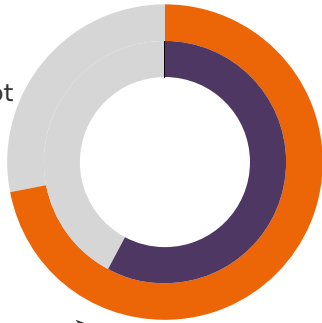
Benefits aren't providing young women who rely on them with enough money to live on.



Young women who receive benefits are much more likely to be struggling during the cost of living crisis.

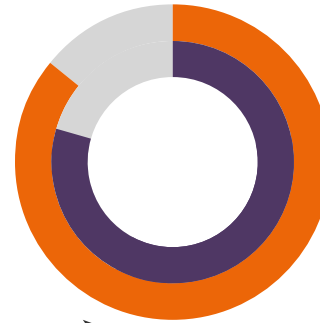
72%

of young women in receipt of benefits say that **they are 'filled with dread'** when they think about their household finances, compared with **58%** of young women as a whole.



86%

of young women in receipt of benefits agree that **the cost of living has made things financially difficult** for them, compared to **79%** of young women overall.



39%

of young women in receipt of benefits say **their standard of living has got worse** over the last 12 months, compared with **32%** of all young women.



Young women in receipt of benefits are much closer to the financial cliff edge.



53% of young women in receipt of benefits are **not able to put a little cash aside each month** to save, compared to **42%** of all young women.



81% of young women in receipt of benefits told us that **it would be a big financial problem if they had to replace a large item** such as a fridge or a washing machine, compared to **68%** of all young women.



75% of young women in receipt of benefits agree that **it is a 'real struggle' to make their cash last** until the end of the month, compared to **62%** of young women overall.

And they are more likely to be forced into making inhumane sacrifices.

45%

of young women in receipt of benefits agree that **sometimes they have to choose between food and heating.**



52%

of young mums in receipt of benefits say that **sometimes they go hungry so their children can eat.**



52%

of young women in receipt of benefits have been **unable to afford food or essential supplies** in the last 12 months.



Being on benefits means young women are more likely to have to take on debt just to get by.

49%

of young women in receipt of benefits have **taken or new or additional debt** in the last 12 months, compared to **39%** of all young women.

57%

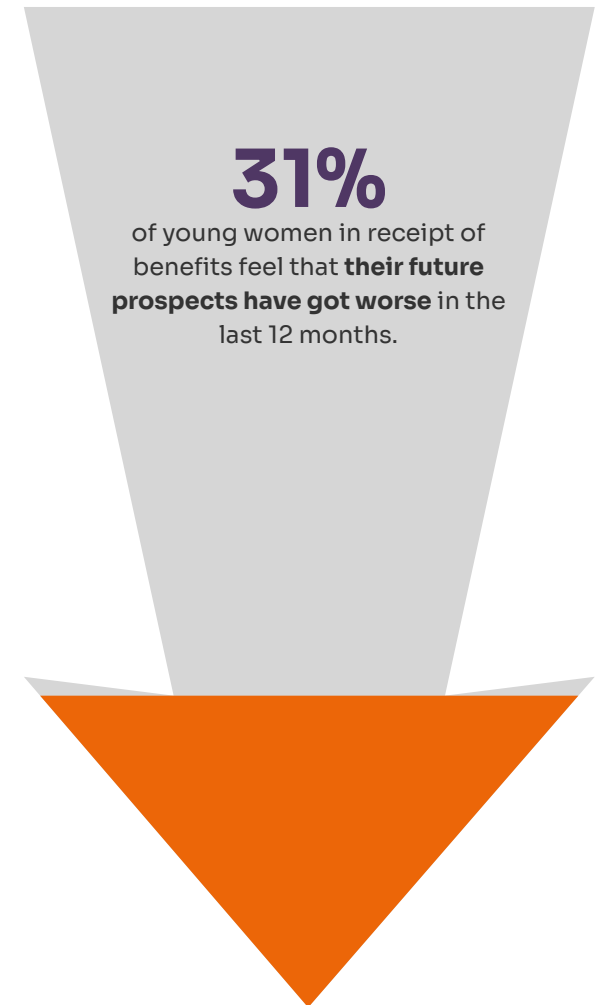
of young women in receipt of benefits have used **'buy now, pay later'** in the last 12 months, compared with **44%** of the overall sample.



Young women who receive benefits are losing hope.

31%

of young women in receipt of benefits feel that **their future prospects have got worse** in the last 12 months.





Spotlight on
**YOUNG BLACK
WOMEN**

Race, age and gender combine to create even greater challenges for young Black women.



37% of young Black women have been unable to afford food or essential supplies in the last 12 months. **32%** of all young women have been in this position, compared to **21%** of young men.

32% of young Black women have **fallen behind on rent or bills in the last 12 months**. **25%** of all young women have been in this position, compared to **16%** of young men.

64% of young Black women agree that **it is a 'real struggle' to make their cash last** until the end of the month. **62%** of all young women agree with this statement, compared to **48%** of young men.

27% of young Black women have **taken a job they didn't want to because they couldn't afford not to**. The figure for all young women is **21%**, compared to **15%** of young men.

17% of young Black women have **claimed benefits for the first time** in the last year. **11%** of all young women are in this situation.

WHAT NEEDS TO HAPPEN?

Young women are faring worse in the cost of living crisis because of the underlying inequality in income that they face. On average, a young woman earns around £5,000 less than a young man of the same age.

This is down to many factors, including:

- Young women being in lower paid jobs and industries
- The impact of having children on the number of hours women can work in paid roles
- Direct discrimination.

These underlying causes need to be addressed through:

- **Fair and equal pay** - including transparency about salaries in job adverts, and robust action to address pay gaps.
- **Tackling the barriers to work for young women** - including increasing the availability of affordable, flexible childcare; more inclusive recruitment processes; and better rights to flexible working.
- **More support for young women to progress at work** - including transparent career paths and routes to promotion.
- **Better job security** - with a limit on the use of zero hours contracts unless it is the employee's choice, and a guaranteed minimum number of hours per week.
- **Action to tackle discrimination in the workplace** - with more robust reporting mechanisms and more support for young women to challenge discrimination.

In the short term, to help young women who are struggling right now, we need:

- The government to go further in the forthcoming extension to the National Living Wage, so that 18-20 year olds receive it too.
- Increased support through the benefits system, through an Essentials Guarantee which makes sure the basic rate of Universal Credit is always enough to cover the costs of essentials.
- The government to listen to the voices of young women as they create policies to respond to the cost of living crisis.