

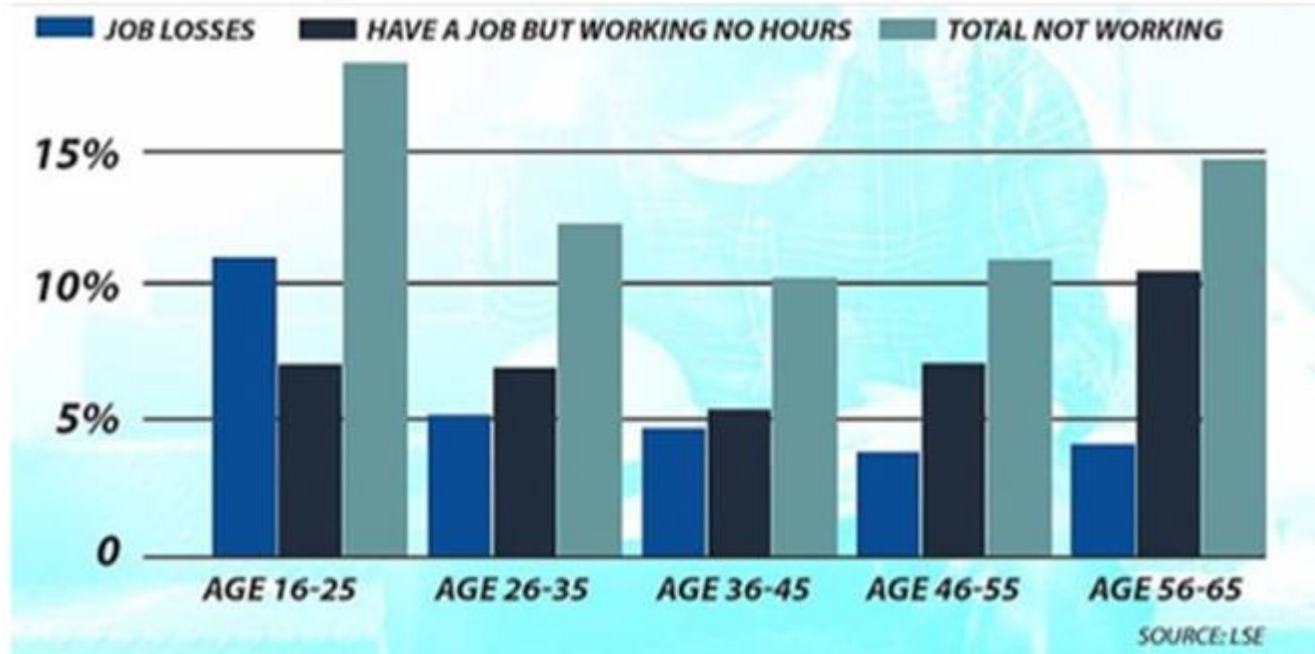
# We rightly worry about the young – but what has Covid done to women’s gender equality progress?

***By Vicky Pryce, Visiting Professor at Birmingham City University and board member of the Centre for Economics and Business Research***

Recent data has highlighted the plight of the younger workers – and those that are just entering the labour force from schools and universities- as likely to lose massively from the actions of firms that have been hit by the economic fallout from coronavirus. Their large presence in insecure and rather poorly paid jobs, many in the badly affected retail and hospitality sectors, has reduced both jobs availability and pay and it is feared that the negative impact will be felt throughout their working lives.

The Resolution Foundation in its latest Jobs report has estimated that one in 5 young people have lost their jobs, which is twice the rate of the working population as a whole and only 1 in 3 have been able to find a replacement role in the job market<sup>[1]</sup>. At the other end of the age profile the over 55s have also been badly affected by comparison to other age groups. With the total not working also rising with age, there are worries that firms coming out of Covid restrictions in the future will try to continue to reduce costs by getting rid of more expensive, older workers.<sup>[2]</sup>

## Job Losses during the coronavirus crisis in the UK- so far



But underneath all this there is another worrying trend- namely the plight of female labour. Not only have women been dominating the front line of the national health service and care sector and therefore much more vulnerable to the disease itself, but have also been poorly affected by job losses. Across the world the estimate is that women are almost twice as likely to be losing their jobs during the pandemic. According to the UN they represent globally some 70% of health workers yet face a pay gap of 28% in the sector as against 16% across all sectors. [\[1\]](#) And the UN quotes estimates that suggest that some 11 million girls worldwide will leave school early because of the pandemic and many will never return which will affect crucially their earning capability through their life and widen the gender pay gap. And there are reports that even if things go back to normal childcare may not return to even where it was.

There are concerns that some 10,000 childcare providers may not be able to carry on after the crisis and some 150,000 childcare nursery places may disappear. The same LSE study for the UK also showed that women and those from disadvantaged backgrounds were amongst those groups most at risk of losing jobs or having a reduction in pay. A survey by the law firm Shoosmiths also found that during the pandemic while 75% of men had their furlough pay topped up by their

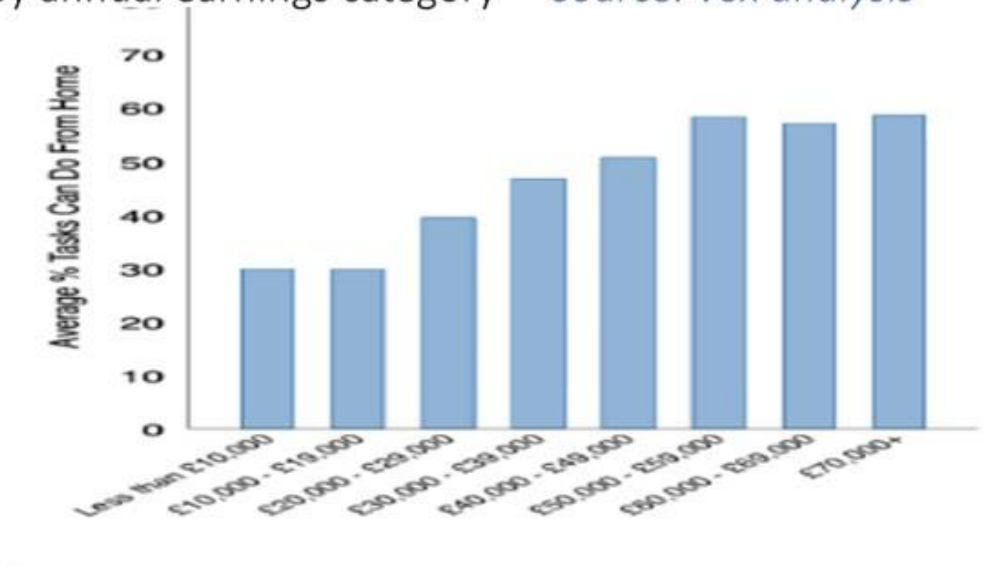
organisation, only 65% of women did, possibly because of the areas they worked in which perhaps faced greater difficulty[2].

Indeed some 23% of women before lockdown worked in areas such as the hospitality sector which shut down completely during lockdown and where a quarter of the workforce were still in partial or full furlough in October[3]. That compares with just 16% of men. And those are generally poorly paid are in sectors where it is difficult to provide this service from home. The findings from IFS are that the higher one gets paid the more likely it is that the job can be done from home. The least paid were working mostly outside their home in jobs they cannot do from their desks. And Vox analysis[4] also shows that during the lockdown the lowest paid were those with the lowest share of tasks that could be done from home.

Worry about inequality: IFS survey of UK workers, published September 2020

	Status in June–July (% of individuals)		
	Working entirely from home	Working not at home	On leave
Least wealthy	15.9	61.7	18.6
2	17.1	58.9	20.5
3	23.4	49	25
4	29.5	43.8	21.3
Wealthiest	35.3	40.9	20.8

Share of tasks that can be done from home- UK by annual earnings category — *source: Vox analysis*



It is indeed the lowest paid that have tended to lose their jobs most during the pandemic more than those earning more- and it is the highest paid who have been able to do more of their tasks at home

according to a recent study by the IFS and the least paid who were working mostly outside their home in jobs they cannot do from their desks. Women are heavily represented in the lower paid quartile of earnings and much less in the highest. They are the most likely to be affected by a crisis or by any pay cuts and fall more easily into poverty with disastrous consequences for their children and themselves.

The current row over free school meals during the holidays is particularly pertinent for single mothers but also for two earner households when the mother has to take a much greater share of family responsibilities as has been the case during the lockdown and while the furlough scheme has been in operation. A report by Social Europe in June 2020<sup>[1]</sup> found that women across Europe found it almost twice as difficult to concentrate on their job because of family responsibility than meanwhile working from home or being able to give enough time to the job because of family responsibility or to be too tired after work to do household work. They also worried more about work. Mothers seem to have as a result been more likely- 47% more likely than men – to have either lost their jobs or have resigned to as a result of the crisis.

All the evidence suggests that this is very much what we have seen in the UK too. There are currently serious concerns about the impact of the crisis and the changing working circumstances on mental health and the evidence suggests that women, having to manage household tasks too have felt the brunt of the changes. Again research suggests that mothers had reduced their average paid workday hours by a third and again were doing only a third of the uninterrupted paid work that men did when working from home during the crisis.

There is therefore a real danger that gender equality will be going backwards during the crisis which now looks like it may well last longer than was originally anticipated. Not only are women joining the ranks of people who have left the labour market altogether but the pay gap, which for all full and part time work is some 17% on average, could well get larger and will be more difficult to bridge when we finally emerge from the crisis.

In the UK the Pay Reviews which were legislated into law when a voluntary approach had very little response from firms, showed the big disparities that existed in pay between men and women when they

were first published in 2018 within the over 10,000 organisations that were forced to respond. But though they were named and shamed there is no requirement in law for any action plan by those firms to redress the large discrepancies that were revealed in the data. And the legal requirement to publish them has in any case been postponed for this year and there are fears it won't come back with the same force when the next publication day comes next spring.

A Fawcett Society report earlier this month suggested that in any case the number of firms that should report should be increased by reducing the firm size of eligible firm from 250 employees to 100[2]. Indeed a private members bill – Equal Pay Information and Claims Bill 2020 – proposed by the MP Stella Creasy[3], would result require firms to report not just a gender but also an ethnicity pay gap for any firm over 100 employees, and also force firms to be transparent about individual employees' pay, as the BBC has had to do, and in line with what is already happening in a number of Scandinavian countries. Information asymmetries are a major market failure, restricting proper competition in the labour market and the efficient allocation of resources. They also disadvantage women who tend not to ask for extra pay- and if you don't ask, you don't get..

But the problems are longer term. Unless action is taken then my conclusion is that gender employment and pay equality has been set back by the crisis and will lag behind for longer than had been originally hoped.

***Vicky Pryce is a Visiting Professor at BCU, a board member of the Centre for Economics and Business Research, a former Joint Head of the UK Government Economic Service and author of 'Women vs Capitalism', HurstPublishers, Nov. 2019.***

- 
1. <https://www.resolutionfoundation.org/publications/jobs-jobs-jobs/>
  2. Lse study: 'Generation COVID: Emerging work and education inequalities' <https://www.lse.ac.uk/News/Latest-news-from-LSE/2020/j-October-20/One-in-10-young-people-lost-their-job-during-covid-19-pandemic>
  3. <https://www.unwomen.org/en/news/stories/2020/9/feature-covid-19-economic-impacts-on-women>

4. <https://www.shoosmiths.co.uk/insights/articles/covid19/covid-19-and-its-impact-on-women-at-work>
5. [https://www.cityam.com/two-thirds-of-all-uk-businesses-at-risk-of-insolvency/?utm\\_source=newsletter&utm\\_medium=email&utm\\_campaign=Midday+newsletter+June+2019](https://www.cityam.com/two-thirds-of-all-uk-businesses-at-risk-of-insolvency/?utm_source=newsletter&utm_medium=email&utm_campaign=Midday+newsletter+June+2019)
6. <https://voxeu.org/article/large-and-unequal-impact-covid-19-workers>
7. <https://www.socialeurope.eu/covid-19-fallout-takes-higher-toll-on-women>
8. <https://www.fawcettsociety.org.uk/news/gender-pay-gap-reporting-a-comparative-analysis>
9. <https://www.peoplemanagement.co.uk/news/articles/women-could-be-given-right-to-know-male-colleagues-salaries-under-new-bill>