

► Policy Brief

July 2020

A gender-responsive employment recovery: Building back fairer

Key messages

The COVID-19 crisis is different from previous economic crises in its depth and extent, as lives are being lost, employment and livelihoods are under threat and economies dramatically shrink. As with previous crises, however, its consequences are not being suffered equally. Like no other before, this crisis has laid bare the entrenched gender inequalities that, compounded with other inequalities, plague labour markets. The COVID-19 crisis is impacting women and men differently, depending on the sector they work in, the fragility of their employment situation, their access to labour and social protection, and their care responsibilities. This brief shows that this time around, women's jobs are relatively more at risk than men's, and in a rapidly deteriorating context, women are losing them at a greater speed than men. For women who remain in employment, their greater care obligations are forcing them to cut down on paid working hours or to extend total working hours (paid and unpaid) to unsustainable levels.

Even if less severe, previous crises offer some cautionary lessons for the current one. They illustrate that when jobs are scarce, women are denied economic opportunity and security relative to men. That crises usually imply the erosion of labour protections and the long-lasting worsening of working conditions. And that women are not only hit by the loss of jobs but also by expenditure cuts that contract public service provision, in particular care services.

In this context, **employment policies**, including macroeconomic, sectoral and labour market policies **must put gender equality at the core of the emergency and recovery efforts** to avoid long-term damages to women's job prospects and **to build back better and fairer**. This brief indicates **four policy priorities for a gender-responsive recovery: prevent women from losing their jobs; avoid premature fiscal consolidation; invest in care; and focus on gender-responsive employment policies.**

Part I: The COVID-19 crisis has disproportionate impacts on women, exacerbating existing gender inequalities

Women's employment is at greater risk than men's, owing to the impact of the lockdown in service sectors women are overrepresented in, combined with their higher informality in them. Women make the vast majority of workers in the health and social care sector, and have continued to work in

trying circumstances, many times facing inordinate health risks. The COVID-19 crisis has laid bare the entrenched gender inequalities in the labour markets, and has further exacerbated gender inequalities in unpaid care work.

The COVID-19 crisis lays bare the deep gender inequalities in labour markets

The COVID-19 crisis unfolds against a background of entrenched gender inequalities in employment, labour force participation and working conditions.

Prior to the onset of the COVID-19 crisis, large numbers of women continued to be excluded from the labour market. Women's global labour force participation rate declined over recent decades from 50.3 per cent in 2005 to an estimated 47.2 per cent in 2019 resulting in a gender gap in the participation rate of around 27 percentage points.¹ Globally, unpaid care work is cited as the principal reason given by working-age women for being outside the labour force.² The labour-underutilization rate (being unemployed, time-related underemployed or in the potential labour force) for women was 15 per cent, compared with 11.9 per cent for men.³ For young people these figures were much higher, 27.5 per cent for young women and 25.2 per cent for young men. Around one third of all young women were not in employment, education or training (NEET) before the crisis, compared to 13.9 per cent of young men.⁴

Gender inequalities were prominent amongst the employed. Patterns of sectoral segregation along gender lines persisted around the world. Everywhere, sectors such as construction, and transport, storage and communication are male-dominated, while health, education and other social and personal services are

female-dominated. Manufacturing industry is male-dominated and high-skill intensive in high-income countries but female-dominated or reaching parity in some lower-middle income countries, where it also tends to be low-skill intensive.⁵ Behind these patterns lay processes of structural transformation in which women tend to lose their jobs in greater numbers than men when relatively low productivity sectors (subsistence agriculture, traditional services) contract without gaining jobs in high-productivity sectors (high-skilled manufacturing industry, modern services) when they expand.

Gender inequalities were also patent in working conditions. Fifty-five percent of women in middle-income economies and 78 per cent in low-income economies outside agriculture were in informal employment in the developing world,⁶ and they are often in more vulnerable situations than their male counterparts.⁷ Amongst Indigenous women the informality rate reaches 86.5 per cent globally.⁸ Amongst wage workers, gender pay gaps persisted at around 20 per cent.⁹

In normal times, three quarters of all unpaid care work were provided by women. Without exception, the amount of time women dedicate to unpaid care work increases with the presence of children in the household, in particular children under five years old.¹⁰ Early childhood education and care services and school closures, along with older relatives not being able to provide support, must have exacerbated care demands. The situation for single parents, 78.4 per cent of whom are

¹ ILO, 2020. *World Employment and Social Outlook – Trends 2020*, Geneva: ILO. <https://www.ilo.org/global/research/global-reports/weso/2020/lang-en/index.htm>

² ILO, 2018. *Care work and care jobs for the future of decent work*. Geneva: ILO. http://www.ilo.org/global/publications/books/WCMS_633135/lang-en/index.htm

³ ILO, 2020. *World Employment and Social Outlook – Trends 2020*, Geneva: ILO. <https://www.ilo.org/global/research/global-reports/weso/2020/lang-en/index.htm>

⁴ ILO, 2020. "Preventing Exclusion from the Labour Market: Tackling the COVID-19 Youth Unemployment Crisis." ILO Policy Brief. https://www.ilo.org/wcmsp5/groups/public/--ed_emp/documents/publication/wcms_746031.pdf

⁵ ILO, 2019. *Gender Impacts of Structural Transformation. SIDA Technical brief No. 2*. Geneva: ILO. https://www.ilo.org/wcmsp5/groups/public/--ed_emp/documents/publication/wcms_735154.pdf; UNIDO, 2020. "Industries post-COVID-19: A gender-responsive approach to global economic recovery", Vienna: UNIDO. <https://iap.unido.org/articles/industries-post-covid-19-gender-responsive-approach-global-economic-recovery#fn-295-1>

⁶ ILO, 2018. *Women and Men in the Informal Economy: A Statistical Picture*, 3rd ed, Geneva: ILO. https://www.ilo.org/wcmsp5/groups/public/--dcomm/documents/publication/wcms_626831.pdf

⁷ ILO, 2020. "COVID-19 crisis and the informal economy. Immediate responses and policy challenges", ILO Policy Brief. https://www.ilo.org/wcmsp5/groups/public/--ed_protect/--protrav/--travail/documents/briefingnote/wcms_743623.pdf

⁸ ILO, 2020. *Implementing the ILO Indigenous and Tribal Peoples Convention No. 169: Towards an inclusive, sustainable and just future*. Geneva: ILO. https://www.ilo.org/global/publications/books/WCMS_735607/lang-en/index.htm

⁹ ILO, 2018. *Global Wage Report 2018/2019*. Geneva: ILO. https://www.ilo.org/global/publications/books/WCMS_650553/lang-en/index.htm

¹⁰ ILO, 2018. *Care work and care jobs for the future of decent work*. Geneva: ILO.

women around the world,¹¹ can be even more difficult, especially if having to juggle continuing working (in person or teleworking) and caring for children alone.

These gender inequalities put women workers at greater risk of being laid-off or of losing incomes in the current crisis. Patterns of sectoral segregation, which shielded women from the worst of the employment impacts in past crises, are precisely those that put women at higher risk now. Women are typically the first to be laid-off and the last to return to employment, as the barriers to entering the labour market exacerbate – in particular, lack of care services – and they are relegated when new opportunities for employment arise. Moreover, their informal and casual employment makes them ineligible for unemployment insurance benefits or job preservation subsidies, leaving them out of the radar of labour market policies. **Building back fairer will only be possible by tackling these inequalities head on during the emergency and recovery phases.**

Women's employment is at high risk

This exceptional crisis is having direct impacts on sectors that were typically affected by only at a later stage in past crises. Women are particularly at risk of job and income losses in some regions of the world.

Women are overrepresented in service sectors severely impacted by the crisis. Around the world, women dominate employment in other services¹² (they are 61 per cent of sectoral employment) and in accommodation and food services (54 per cent), and are overrepresented in the wholesale and retail trade sector (they are 42.1 per cent of those employed in the sector, as compared to 38.7 of total workers).¹³

Overall, around 40 per cent of employed women are working in the sectors with the highest risk of income and job losses during the crisis (accommodation and food services, wholesale and retail trade; real estate, business and administrative activities; and manufacturing). This figure reaches almost half of all women workers (49.1 per cent) if other services (classified as medium-high risk)

are added. The comparative figures for men are 36.6 and 40.4 percent respectively – a gap of 3 to 9 percentage points. The gender gap in the proportion of informal workers in hard-hit sectors is even higher, with 42 per cent of women working informally in such sectors at the onset of the crisis compared with 32 per cent of men.¹⁴

In absolute terms, this means 510 million women are at high risk, while the comparative figure for men is 745 million. If other services are added (122 million for women, 78 million for men), **632 million female workers and 823 million male workers are at risk.**

Global aggregates mask considerable regional variation. Women dominate employment in other services in South and Central America, in Southern, Eastern and Central Africa, and in Southern Europe, where they are two thirds or more of sectoral employment. The other services sector is a major contributor to the high proportions of women's employment at risk in the Caribbean and in Southern Africa, where around a fifth of all women employed work in the sector, and in the Central and South America, where they are a sixth of all women employed. Women also dominate employment in the accommodation and food sector in Central, Eastern and Western Africa, in Central and South America, and in Eastern Europe. But this sector generates relatively less women's employment, up to a tenth of it at its highest. In contrast, the retail sector is a strong employer of both women and men, generating approximately a sixth of their employment respectively. In some regions where women are overrepresented in retail, like in Central and South America and the Caribbean, South-Eastern Asia and Western Africa this sector explains between a fifth and a quarter of all women's employment, and therefore a significant proportion of women's employment at risk. Lastly, even if manufacturing industry is male-dominated across the world, women are close to parity in employment in Central, Eastern and Western Africa (although with low levels of women's employment) and in South-Eastern Asia (with higher levels of women's employment).

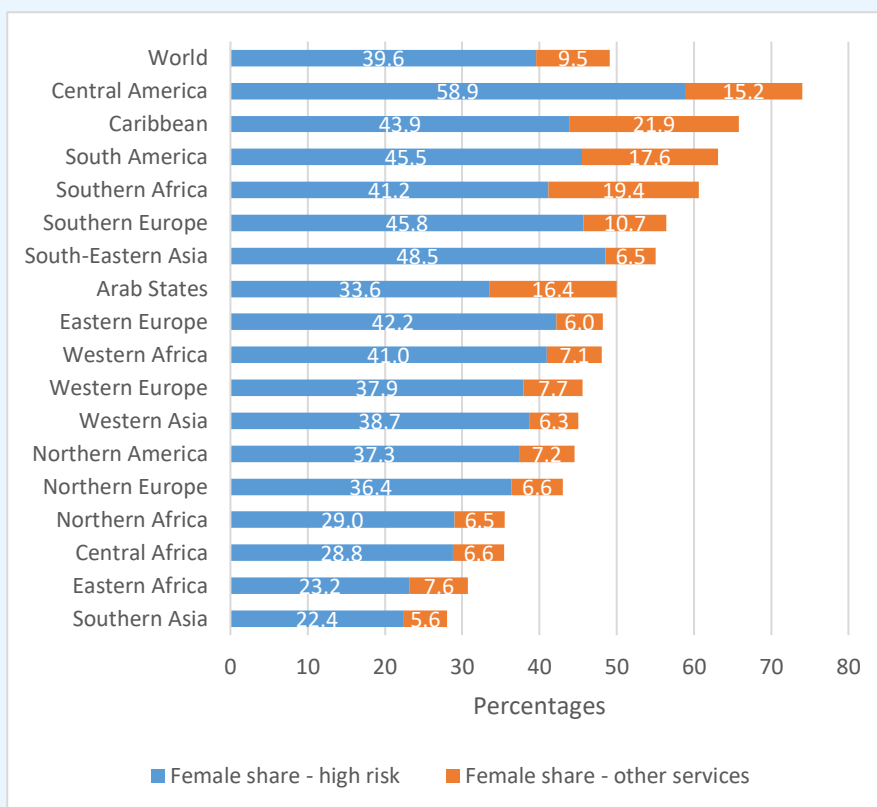
¹¹ ILO, 2018. *Care work and care jobs for the future of decent work*, p. 20 and 81. Geneva: ILO.

¹² Other services is a residual category of service sector workers, including arts and entertainment, domestic work (households as employers) and other service workers (ISIC Rev. 4 R; S; T; U).

¹³ Source: author's calculations, data from ILOSTATS.

¹⁴ ILO, 2020. "ILO Monitor: COVID-19 and the world of work. Third edition. Updated estimates and analysis". Geneva: ILO. https://www.ilo.org/wcmsp5/groups/public/--dgreports/--dcomm/documents/briefingnote/wcms_743146.pdf

► **Figure 1. Share of women working in high-risk sectors and in other services**



Source: ILOSTAT; author’s calculations.

Note: Hard-hit sectors are accommodation and food services, wholesale and retail trade; real estate, business and administrative activities; and manufacturing. Other services is a medium-high risk sector.¹⁵

As a result the structure of women’s employment in these regions, women’s employment at risk as a proportion of women’s employment is at its highest in Central America, South America and the Caribbean; followed by Southern Africa, Southern Europe and South-Eastern Asia (figure 1). In Eastern, Central and Western Africa, and in South-Eastern Asia, women whose employment is at risk are more than men also in absolute terms

Within sectors, some women have been particularly hit. Domestic workers, for example, have been highly vulnerable to containment measures. Nearly three-quarters of domestic workers around the world are at

significant risk of losing their jobs and incomes due to the containment measures and the lack of effective social security coverage. The vast majority – 37 million – of these domestic workers are women. The most affected regions are Southeast Asia and the Pacific, with 76 per cent of domestic workers at risk, followed by the Americas (74 per cent), Africa (72 per cent) and Europe and Central Asia (45 per cent).¹⁶ Women make up the largest proportion of domestic workers amongst those at risk in these regions: 57.9 per cent in Asia and the Pacific, 89.1 per cent in the Americas, 69.4 per cent in Africa and 86.7 per cent in Europe and Central Asia. Furthermore, domestic workers

¹⁵ ILO, 2020. “ILO Monitor: COVID-19 and the world of work. 2nd Edition.” Geneva: ILO. https://www.ilo.org/global/about-the-ilo/WCMS_740877/lang-ja/index.htm

¹⁶ Domestic workers who were in lockdown and who were not previously registered to social security, were considered to be at higher risk of losing their jobs and income, and therefore significantly impacted. Conversely, domestic workers who were in lockdown, but who were registered to social security, faced a lower risk of losing their jobs or income during the pandemic were not considered to be significantly impacted. The estimates do not take into account whether or not they received income replacement or support as a part of emergency measures taken. See ILO, 2020. “Impact of the COVID-19 crisis on loss of jobs and hours among domestic workers.” Factsheet. Geneva: ILO. https://www.ilo.org/global/topics/domestic-workers/publications/factsheets/WCMS_747961/lang-en/index.htm

are also often migrant workers, which exacerbates the vulnerability given the lack of social protection for migrant workers in their destination country or the inability to return to their home countries due to the lockdown measures.

Tourism-related activities go beyond accommodation and food services, contributing to job creation both directly and indirectly particularly for women and young people. In 2019 the sector accounted for (directly and indirectly) some 330 million jobs worldwide, equivalent to 10.3 per cent of total global employment. Since the onset of the COVID-19 crisis, international tourism has practically stopped and the impacts on employment are massive. This sector's high incidence of informality, due in part to its seasonality, combined with weak regulation, enforcement and labour organization, is related to decent work deficits, such as excessively long working hours, low wages, lack of social protection and gender-based discrimination. Migrant workers, women and youth are more vulnerable to informal or casual employment in this sector.¹⁷

In some labour-intensive segments of manufacturing, such as garments, women are vulnerable to job losses as a consequence of disruption to supply chains and falling consumer demand. As many as 73 million jobs are at high risk in the textiles and garments supply chain, and almost 34 million of them are women. Order cancellations and non-payment of already processed orders, due to the lack of consumer demand for garments, threaten in some cases the ability of enterprises in that supply chain to pay their workers. In Asia and the Pacific, more than 5 per cent of women were employed in this sector, making it the largest employer of women among all of the industrial sectors, and the fourth largest overall.¹⁸

Moreover, across sectors, women's employment is at high risk when they are in informal employment.

When women work in informal enterprises or as informal own-account workers, they frequently have low productivity, low rates of savings and investment, and negligible capital accumulation, which make them particularly vulnerable to the COVID 19 crisis.¹⁹

Women's employment is contracting at a large scale

Labour force surveys are beginning to show worrisome trends for women. If contractions in employment deepen, an upsurge in women's unemployment is to be expected.

The latest labour force survey data confirms a deteriorating employment situation where such data is available. In a sample of six countries for which data for April and May 2020 are available, the year-on-year decline in employment has been significantly higher for women than for men (figure 2). In Canada, Colombia and the United States, women's employment fell by more than 16 per cent from April 2019 to April 2020. The decline continued in May (percentage change from the previous year).²⁰ Figures are even more worrying for young women. In Canada, the unemployment rate increased from February to May 2020 by 17.5 percentage points for young men (from 12.7 to 30.2 per cent) and 25.4 percentage points for young women (from 8.0 to 33.2 per cent). A similar scenario can be observed in the United States, where the unemployment rate for young men (aged 16-24) increased by 15.7 percentage points from February to May 2020 (from 8.5 to 24.2 per cent), while the rise for young women (aged 16-24) was 19 percentage points (from 7.5 to 26.5 per cent).²¹

¹⁷ ILO, 2020. "ILO Sectoral Brief. The impact of COVID-19 on the tourism sector." Geneva: ILO. https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---sector/documents/briefingnote/wcms_741468.pdf

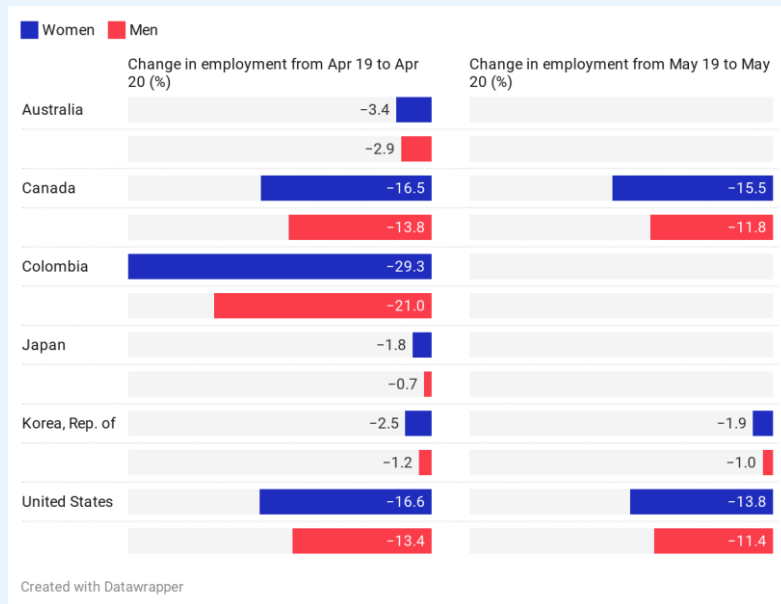
¹⁸ ILO, 2020. "COVID-19 and global supply chains: How the jobs crisis propagates across borders." Geneva: ILO. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---inst/documents/publication/wcms_749368.pdf

¹⁹ ILO, 2020. "COVID-19 crisis and the informal economy. Immediate responses and policy challenges", ILO Policy Brief. https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/briefingnote/wcms_743623.pdf

²⁰ Based on survey data collected online, Adams-Prassl et al. (2020) find that women in the UK and the United States have experienced a higher probability of job loss during the crisis than men, while there is no statistical differences by gender in Germany where the impact on the labour market has been much more muted. See Adams-Prassl, A., Boneva, T. and M. Golin. 2020. Inequality in the impact of the coronavirus shock: evidence from real time surveys. Cambridge-INET Working Paper Series No: 2020/18.

²¹ The unemployment figure for young women in the United States is lower in May 2020 than it was in April 2020 (29.8 per cent). See ILO, 2020. "Preventing Exclusion from the Labour Market: Tackling the COVID-19 Youth Unemployment Crisis." ILO Policy Brief. https://www.ilo.org/wcmsp5/groups/public/---ed_emp/documents/publication/wcms_746031.pdf

► **Figure 2. Change in employment for women and men (aged 15+) (%), year on year changes from April 2019 to April 2020 and May 2019 to May 2020**



Source: ILOSTAT; author’s calculations. Get data at: <https://datawrapper.dwcdn.net/sE5rd/1/>

This drastic contraction in women’s employment rates will translate into unemployment or inactivity, depending on whether women stay in the labour force or withdraw from it. The fact women’s employment contraction appears as the immediate result of women’s job losses could indicate that the overall effect could be higher female unemployment – if captured by labour statistics appropriately²² – as they might not be easily “discouraged” if in need of generating income. Given the extent and depth of the current crisis, the informal sector might not play the “refuge” role it has played in the past, adding to this sombre diagnostic.

Women make the vast majority of frontline workers, putting them at higher risk of contagion

Low employment risk in sectors like health and social work, in “essential” retail not affected by containment measures, or in

food and beverages supply chains is associated with higher contagion risks.

The overwhelming majority of health and social workers are women. Health workers are the backbone of health systems. Globally, employment in health and social work amounts to 4.5 per cent of total employment, and 8.4 percent of total women’s employment. On average, women represent more than 70 per cent those employed in health and social work. In developed regions, they reach close to 80 per cent of the health workforce, and the sector accounts for almost 10 per cent of total employment – indeed, the greater the employment in the sector, the more feminized it is.²³ The proportion of women is even higher among nurses and personal care workers, 90 per cent of whom are women. Women tend to be engaged in lower-skilled and lower-paid jobs in this sector, which are associated with larger gender pay gaps (26 per cent in high-income countries and 29 per cent in upper-middle-income countries).²⁴ The working conditions of health workers, in particular those dealing with COVID-

²² It should be noted that the difference between inactivity and unemployment has been blurred by the crisis, since searching for a job and being available to take on a new job – both criteria that must be met to qualify as unemployed – are often prevented by lockdown measures, causing many “unemployed” to be considered as “inactive”.

²³ ILO, 2018. *Care work and care jobs for the future of decent work*. Geneva: ILO.

²⁴ ILO, 2020. *COVID-19 and the health sector*. ILO Sectoral Brief. Geneva: ILO. https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---sector/documents/briefingnote/wcms_741655.pdf

19 patients, have been under threat in the current context. Long working hours in intensive care units, insufficient personal protection equipment, understaffed and resource-constrained environments come on top of intense emotional stress, exposing health workers to higher risks of infection and transmission, especially in low and middle-income countries.²⁵

Women continue to work in trying circumstances.

Similar to health and social work, globally employment in education represents 5.6 per cent of total employment and 9.4 per cent of female employment. Workers in education, 61.8 per cent of whom are women, had have to adapt their work to deploy distance-learning solutions. More than 63 million primary and secondary school teachers, as well as countless education support personnel have been impacted by lockdown measures. It has also affected early childhood education personnel, technical and vocational training personnel and higher education teachers. In many contexts, schools remained open for the children of health workers and other “essential” workers, underscoring the role of care services in making it possible for parents to be at their workplace in normal times.²⁶ Along with other “essential” workers in retail like cashiers, mostly women, and those who work in transportation and food and beverages chains, mostly men, these workers face increased health risks associated to contagion.

Gender inequalities in unpaid care work have further exacerbated

Emerging evidence is showing that increased care demands due to school and care services closures are mostly being shouldered by women.

This crisis has increased care demands within households at an unprecedented scale. School and other care services closures, restrictions to mobility, and in many cases caring for those infected with mild

symptoms, has put further pressure on women workers with care responsibilities.

New emerging evidence shows women who remain in employment are juggling work and care, with their care obligations forcing them to cut down on paid working hours or to extend total working hours (paid and unpaid) to unsustainable levels. In Spain, for example, men increased their participation in housework and childcare slightly, but most of the new care demands fell on women, who were already doing most of the unpaid care work before the lockdown.²⁷ In Europe, 10.6 per cent of female respondents (aged 35 to 49) reported that, during the crisis, family responsibilities prevented them (always or most of the time) from devoting the required time to their jobs, compared with 6.7 per cent of male respondents.²⁸ In Argentina, an on line survey showed that close to 60 per cent of those women who continued to work for pay, either in their workplace or from home felt overwhelmed by their workload, compared to approximately 40 per cent of men. A quarter of women with children reported not having any leisure time.²⁹ In Turkey, a time-use survey repeated during the lockdown and comparable to 2018 shows that that while men’s participation in unpaid work increased substantially, particularly for men who switched to teleworking and decreased their employment hours, the increase for women was relatively greater, further widening the gender gap in unpaid work. A narrowing down of the gender gap in paid work could be observed due to relatively less employment disruption for women amongst the respondents. The combination of these two factors results in an increase in the total workload of employed women to levels that are hard to sustain, particularly for women who remained working at their workplace.³⁰

In the UK, on the contrary, the gender childcare gap (the difference between the share of childcare done by women and the share done by men) for the additional, COVID-19-related hours is smaller than that for the allocation of pre-

²⁵ ILO, 2020. *The COVID-19 response: Getting gender equality right for a better future for women at work*. Policy Brief. Geneva: ILO. https://www.ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/publication/wcms_744374.pdf

²⁶ ILO, 2020. *COVID-19 and the education sector*. ILO Sectoral Brief. Geneva: ILO. https://www.ilo.org/wcmsp5/groups/public/---ed_dialogue/---sector/documents/briefingnote/wcms_742025.pdf

²⁷ Farré, L., Fawaz, Y., González, L., & Graves, J. (2020). How the COVID-19 Lockdown Affected Gender Inequality in Paid and Unpaid Work in Spain. IZA Discussion Paper, 13434.

²⁸ Figures based on respondents from the EU-27. See Eurofound, “Living, Working and COVID-19”, e-survey launched on 9 April 2020.

²⁹ Observatorio de Géneros y Políticas Públicas, 2020. “Puertas adentro: Organización laboral y distribución de tareas de cuidado durante el Aislamiento Social Preventivo y Obligatorio en el Área Metropolitana de Buenos Aires.” Buenos Aires: OGYPP.

³⁰ Ilkcaracan, Ipek and Emel Memis, 2020. “Transformation in the Gender Imbalances in Paid and Unpaid Work under the Pandemic: Findings from a Pandemic Time-Use Survey in Turkey”, mimeo.

COVID19 childcare, even if women have been doing the greatest share of childcare. Like in Turkey, the amount of additional childcare provided by men is very sensitive to their employment situation. Childcare times have become more equal in households where men are working from home and where they have been furloughed/ lost their job.³¹

All in all, the pandemic has further added to women's unpaid care working time, and to some men, depending on their employment situation. In addition, the ILO has also highlighted the risk of increasing domestic violence during the crisis, particularly because of confinement measures.³²

Past crises offer some cautionary lessons

If the past offers any lesson for the present, extraordinary times, it is that crises are conjunctures in which past gains in labour markets risk being wiped out and existing gender inequalities are further exacerbated.

Lesson 1. Gender is a rationing mechanism when jobs are scarce. During the Great Recession, men's unemployment rates expanded more than women's in developed countries, as jobs losses in manufacturing and construction affected men to a greater extent than women, who represent a small share of employment in those sectors.³³ In developing countries, however, where unemployment benefits were comparatively limited, women's activity rates rose, as more women entered the labour market in an attempt to compensate for men's income losses. This fuelled unemployment through what is called the "added" worker effect.³⁴ After the Great

Recession, women's employment recovered at a slower pace than men's.³⁵ Indeed, when jobs are not enough, women tend to be denied economic opportunity and security relative to men.³⁶ **The more scarce jobs are in the aftermath of the COVID-19 crisis, and the bigger the losses in employment women face during the lockdown phase, the harder their employment recovery will be.**

Lesson 2. Labour market flexibility and deregulation leads to the expansion in women's precarious employment. The claim that labour market institutions like minimum wages, labour rights and collective bargaining are frictions that impede speedy recovery were back in force even before the crisis³⁷ and are being called upon again.³⁸ However, while there are advantages of more flexible work arrangements, they have potentially negative impacts on workers, enterprises and societies.³⁹ Some workers, particularly women, face greater insecurity of employment and income, or have increased difficulties in reconciling work with family and other personal responsibilities.⁴⁰ **Women's working conditions should not be eroded further as a result of this crisis.**

Lesson 3. When women lose their jobs, their unpaid care work provision increases. Unpaid care work and paid work are heavily intertwined for women. Women's unemployment tends to be associated to setbacks in the redistribution of unpaid care work within households. When women become breadwinners in contexts of high male unemployment, some positive redistribution takes place.⁴¹ Higher women's labour force participation is indeed related to a less unequal distribution of unpaid care work within households.⁴² **Women's higher**

³¹ Sevilla, Almudena, and Sarah Smith, 2020 "Baby Steps: The Gender Division of Childcare during the COVID-19 Pandemic", IZA DP No. 13302. Bonn: IZA.

³² ILO, 2020. "ILO Violence and Harassment Convention, 2019 (No. 190): 12 ways it can support the COVID-19 response and recovery" ILO Policy Brief.

³³ Pissarides A. C., 2013. "Unemployment in the Great Recession." *Economica* 80, 385–403.

³⁴ ILO, 2012. *Global Employment Trends for Women*, Geneva: ILO.

³⁵ Ghosh, Jayati, 2013. "Economic crises and women's work: Exploring progressive strategies in a rapidly changing global environment" New York, UN Women.

³⁶ UNCTAD, 2017. "The gender dynamics of inclusion and exclusion: A macro perspective on employment", in *Trade and Development Report 2017. Beyond Austerity: Towards a Global New Deal*. Geneva: UNCTAD.

³⁷ World Bank, 2019. *World Development Report 2019. The Changing Nature of Work*. Washington DC: WB.

³⁸ World Bank, 2020. *Global Economic Prospects, June 2020*. Washington, DC: World Bank

³⁹ ILO, 2018. "International Labour Office expresses concern about World Bank report on future of work", Geneva: ILO. https://www.ilo.org/global/about-the-ilo/newsroom/statements-and-speeches/WCMS_646884/lang-en/index.htm

⁴⁰ Karamessini, María and Jill Rubery, 2017. "The Challenge of Austerity for Gender Equality in Europe: A Consideration of Eight Countries at the Center of the Crisis", in Connolly, Rachel and Ebru Kongar (Eds.), *Gender and Time Use in a Global Context*. New York: Palgrave Macmillan US.

⁴¹ ILO, 2018. *Care work and care jobs for the future of decent work*, p. 70-71. Geneva: ILO.

⁴² ILO, 2018. *Care work and care jobs for the future of decent work*, p. 58. Geneva: ILO.

unemployment as a result of this crisis is likely to exacerbate inequalities in unpaid care work.

Lesson 4. Women are hit not only directly but also indirectly when expenditure cuts have been prematurely imposed, losing jobs in public administration and in care sectors, being overburdened by contraction in care services' coverage and quality, and losing income support. **Public expenditure cuts have**

deleterious effects on women as workers and as beneficiaries of public services.

Lesson 5. Women were left behind in recovery policies. This is evident in the labour intensive sectors supported, typically male-dominated, to the detriment of female dominated sectors like care services. **Industrial policies need to break sectoral and occupational segregation if women's employment prospects are to improve.**

Part II: Policy priorities to build back fairer

Gender inequalities, compounded with other inequalities, are imbedded in the functioning of labour markets. Gender-responsive employment policies, including macroeconomic, sectoral and labour market policies can contribute to gender equality by counterbalancing the gender-specific employment effects of this crisis. **Building back fairer** brings gender equality to the core of the recovery effort. This crisis' impacts and lessons learnt from previous crises indicate four policy priorities for a gender-responsive recovery: sustain women's jobs during the emergency; avoid premature fiscal consolidation; invest in care; and focus on gender-responsive employment policies.

► Prevent women from losing their jobs

Women's employment is at risk at an unprecedented scale, and the consequences could be devastating for women not only in the short run but also in the long run. This crisis is different from previous ones, as women are losing jobs at a greater speed than men. Policies that focus on sustaining jobs for all should *de facto* sustain women's jobs. However, persistent sectoral segregation and entrenched gender discriminatory norms in institutions and policies could inadvertently leave them behind. It is then crucial to do "whatever it takes" to **prevent women from losing their jobs, maintain women's attachment to the labour force, and establish mechanisms for women to re-enter employment as early as possible if not**. In the meantime, supporting women's livelihoods is essential to avoid further impoverishing them.

Macroeconomic emergency policies introduced by countries have indeed aimed at avoiding the collapse of economies and of employment by supporting enterprises, jobs and incomes. Large-scale conventional and unconventional monetary policy measures were introduced quickly to avert a liquidity crisis. The bulk of discretionary spending in most advanced economies has been used to expand existing social protection schemes for workers and households, including unemployment benefits, sickness benefits and social assistance.

In developing countries, packages have focused on providing emergency income for vulnerable groups through non-contributory cash transfers (special allowances and grants).⁴³ Support for women and men in informal employment has been crucial to sustain incomes and consumption during lockdowns. For example, Colombia and South Africa have implemented new and temporary subsidies for informal workers who are not beneficiaries of existing cash transfers programmes (Box 1). In the case of Argentina, the support (Emergency Family Income (or *IFE*) was compatible with cash transfer programme whose beneficiaries are children, effectively delinking emergency income support measures directed to workers, including women workers, from universal and permanent child benefits (Box 2).

⁴³ ILO, 2020. "ILO Monitor: COVID-19 and the world of work. Fifth edition". Geneva: ILO.

► **Box 1. South Africa: Measures support women's incomes but plans to cut social expenditures loom large**

Women in the South African labour market continue to suffer higher unemployment, lower wages, and more precarious working conditions than men. Women earn less than men, in general, even when they do the same job. Large numbers of women are employed in the sectors most affected by the lockdown, like community, social and personal services (CSP), which accounts for 2.4 million women (32 per cent of total female employment), followed by wholesale and retail trade at 1.5 million (or 20 per cent). Fewer women than men work in the formal sector. Higher poverty levels and lower skills sets compared to men explain this trend. In terms of the occupational distribution in the informal sector, women are mostly employed in the low-value segments of it: trade, home-based production, artisanal work and food vending. Hence, the president relief package of R 40 billion reserved for workers whose employers are unable to pay their wages will disproportionately favour male workers. An additional R2.1 billion has been reserved to support MSMEs, "spaza" shop owners and other informal business. It is hoped that this will take into account the often invisible or residential nature that female informality takes in identifying qualifying beneficiaries.

Also, a disproportionately large share of women will be eligible for the special COVID-19 Distress Grant announced by the government, valued at a monthly rate of R350 and payable over the next six months to unemployed individuals who are not already receiving Unemployment Insurance Fund (UIF) or other social grants. Initial indications are that the rollout of this grant has been very poor, thus placing the livelihoods of many women under severe stress.

COVID-19 related measures, including the Distress Grant, amount to R145 billion worth of expenditure, resulting from the reallocation of R101 billion from

various budget lines and net additional expenditure of R44 billion. As a result of the lockdown and lower economic growth, government now expects revenue to be R1.099 trillion – a shortfall of R300 billion compared to what was planned for. Expenditures will increase by R44 billion to reach R1.809 trillion. The result will be a budget deficit for 2020/21 that has shifted from 6.8 per cent to 14.6 per cent of GDP. More worrying, the government plans to cut expenditure significantly, by R230 billion, over the next three fiscal years, targeting a primary budget surplus in 2023/24. Expenditure cuts of this order will not only significantly increased inequality, but it will also disproportionately affect women negatively, since women disproportionately benefit from social expenditure.

Source: Ewinyu et al 2020; Francis and Valodia 2020.⁴⁴

► **Box 2. Measures to protect domestic workers and informal workers in Argentina**

The COVID-19 pandemic has caused a major impact on the Argentinian labour market. The sector of domestic workers is one of the most affected by this crisis due to the socio-demographic profile and the conditions under which these workers perform their tasks. Three out of 4 of the 1,300,000 domestic workers in Argentina work in the informal economy. Their low wages and lack of access to labour rights further increases their vulnerability to the crisis, as their income has been partially or completely reduced due to the mandatory confinement measures.

Argentina established income support measures to reduce the impact of the crisis during the health emergency. These measures include all domestic workers, regardless of the activity they perform or their labour registration status. These measures include extra payments for recipients of the Universal Child Allowance (AUH) and the Universal Allowance for Pregnancy (AUE), and the Emergency Family Income (IFE). The IFE is an exceptional, non-contributory monetary benefit, designed for unemployed persons, informal workers and small contributors under the simplified tax scheme

⁴⁴ Ewinyu, Arabo; David Francis, Kamal Ramburuth-Hurt and Imraan Valodia. COVID-19 : Gender impacts in South Africa. Working a Paper, SCIS, Wits University; and Francis, David and Imraan Valodia (2020) "South Africa's budget to deal with COVID-19 fails to pave way for more equal society", The Conversation, June 25, 2020. https://theconversation.com/south-africas-budget-to-deal-with-covid-19-fails-to-pave-way-for-more-equal-society-141458?utm_source=whatsapp&utm_medium=bylinewhatsappbutton

(*monotributistas*) of the lower categories. It includes domestic workers (registered or not) as a recipient population. The benefit, which is equivalent to the amount of ARS 10,000 (USD 146), was paid to a single member of the family unit twice (in April/May and in July 2020), and is compatible with the AUH. Beyond emergency measures, supporting their transition from informality to formality, protecting their health and guaranteeing their employment stability and economic security will be essential in the current crisis.

Source: López Mourelo 2020.⁴⁵

Active labour market policies can be particularly helpful in supporting women's attachment to the labour force. For example, **employment retention benefits**, which prevent unemployment by compensating wage losses for the temporary reduction in working hours or the suspension of work, avoid the break in the employment relationship, are able to maintain women workers in their jobs, safeguarding their skills and supporting a fast recovery. They benefit women workers in so far as they are formally employed, although there have been efforts like in Australia and in New Zealand to extend them to casual workers.⁴⁶ Particularly extended in Europe, they have also been implemented in some developing countries. In Argentina and Botswana, for example, governments provide a wage subsidy in return for a guarantee to avoid dismissals during a set period. In Chile and in Malaysia, conditions to access unemployment insurance have been adapted to maintain the employment relation.⁴⁷

Public employment services (PES) in turn are critical to facilitate women's employment in essential production and services, preserve women workers' skills and maintain their attachment to the labour market. In Italy, for example, child-care vouchers were available to working parents with infants during the lockdown. This aid was extended to support return to work and jobseeking. Other countries, like the Republic of Korea, relied on already functioning systems of gender mainstreaming in employment centres to complement support with special COVID-19 aid (Box 3).

Local employment offices and employment centres help women jobseekers to speed-up job placement in sectors recruiting amidst the pandemic, like home-delivery or online retailers; and to adapt to the changing demand for skills for the post-coronavirus context. Actively involving employers and other relevant partners such as private employment agencies in channelling support to women (and men) in affected sectors and industries can prevent skills deterioration and disengagement from job seeking.

► **Box 3. Republic of Korea: Occupational Centres for Women**

The Korean PES delivers employment services and training to women in partnership with specialist third sector organizations in local labour markets. The Occupational Centre for Women (OCW) in Ansan City, for example, targets services to women, from those who have interrupted their professional careers for family reasons and who lack reliable access to child care to immigrant women not fluent in the Korean language or without formal qualifications. During the COVID-19 crisis, the PES worked closely with these centres to link job search support and training with a special maternity leave allowance and childcare subsidies to eligible women registered with the employment centre. Employers also received a subsidy from the PES when authorizing female employees a maternity or childcare leave and then continuing retention of them. Financing of dedicated COVID-19 subsidies comes from the Ministry of Employment and Labour.

Source: Avila 2018,⁴⁸ and updated information provided by the PES of the Republic of Korea.

► **Avoid premature fiscal consolidation**

Fiscal measures taken in advanced economies accounting for around 5 per cent of GDP, explain 88 per cent of the global fiscal stimulus, while another 9.5 per cent is accounted for by upper-middle income countries. Fiscal packages in emerging and developing economies are much smaller, of 2.3 per cent of GDP on average, and are

⁴⁵López Mourelo, E., 2020. *La COVID-19 y el trabajo doméstico en Argentina. Nota técnica*. Buenos Aires: OIT. https://www.ilo.org/wcmsp5/groups/public/---americas/---ro-lima/---ilo-buenos-aires/documents/publication/wcms_742115.pdf

⁴⁶ See [Australia's Jobkeepers Act](#) and [New Zealand's Wage Subsidy Scheme](#).

⁴⁷ ILO, *forthcoming*. "[Un]employment protection in the COVID-19 crisis. Country responses and policy considerations." Geneva: ILO

⁴⁸ Avila, Z., 2018. *Public employment services: Joined-up services for people facing labour market disadvantage*, Geneva: ILO. https://www.ilo.org/employment/Whatwedo/Publications/policy-briefs/WCMS_632629/lang-en/index.htm

even more limited in low-income countries.⁴⁹ The size of fiscal stimulus packages has obvious implications for women as they might prove insufficient to contain the damage to women's jobs and livelihoods; and crucially depends on the ability of countries to finance them. While developed economies have greater fiscal space to finance their stimulus packages, low and lower-middle income countries have seen their fiscal space shrink further because of falling fiscal revenues. The crisis has also put their foreign debt sustainability in question, due to the sharp decline in commodity prices, export earnings, remittances and foreign investment, and the increased capital flight.⁵⁰ Large-scale international support and solidarity is needed to counterbalance these trends.

Past crises have shown that when support for employment and social protection are at the core of stimulus packages, they contribute to stabilizing household incomes and aggregate demand, and are conducive to a speedier recovery. But the Great Recession also showed that as early as in 2010 countries considered expenditure cuts in subsidies, health and education budgets, wages and pensions. Expenditure cuts had a disproportionate effect on women and children.⁵¹ And resulted in underinvestment in public health systems and shortages of health workers, which made them unprepared to face the ongoing health crisis.⁵²

This time around, developing countries will possibly face worse economic conditions, in the form of higher pre-crisis indebtedness and highly constrained monetary options. This will put increased pressure on the withdrawal of fiscal relief measures, and will heighten competition amongst different priorities. Moreover, countries are already considering expenditure cuts in the near future (Box 1). Yet, prioritizing expenditures that supports gender-egalitarian outcomes and avoiding premature fiscal consolidation are a precondition to

sustain recovery and avoid inflicting further damage to women's employment prospects.⁵³

► Invest in care

The COVID 19 crisis made clear how crucial care provision is, both paid and unpaid. For example, the provision of childcare services for essential workers with family responsibilities is indispensable for them to carry on their duties. By extension, this policy measure made clear that care services are a pre-requisite for all workers with family responsibilities to work in "normal" times – a frequently sidestepped fact this crisis has laid bare. The crisis has also exposed the weaknesses of health and care systems and the insufficiencies of social protection systems, already evident before it. Countries have prioritized investments in health care services in the emergency response, ramping-up of public expenditure towards strengthening the public health system. Temporary external support may be necessary for some countries to expand their fiscal space to support their investments.⁵⁴ Moreover, these efforts need to be sustained in time, to guarantee universal access to health care; and extend to other care services, in particular early childhood education and long-term care, whose provision suffered during the pandemic, as they need to be performed face-to-face.

Investments in care services have the potential to generate decent jobs, particularly for women (and indirectly for men as well), and to alleviate supply side constraints, contributing to women's integration into the labour market.⁵⁵ Public opinion has been awakened to the often difficult and undervalued work of care workers, whose contribution has been, and remains, essential to overcoming the pandemic. This brings an opportunity to leverage better working conditions, wages and representation for care workers. For example, the Argentinean government established a fixed wage bonus to all health workers from April to July 2020. Improving

⁴⁹ ILO, 2020. "ILO Monitor: COVID-19 and the world of work. Fifth edition". Geneva: ILO.

⁵⁰ UNCTAD, 2020. "The Covid-19 Shock to Developing Countries: Towards a "whatever it takes" programme for the two-thirds of the world's population being left behind." Geneva: UNCTAD.

⁵¹ Ortiz, Isabel and Cummins, Matthew, 2013. "Austerity Measures in Developing Countries: Public Expenditure Trends and the Risks to Children and Women", *Feminist Economics* 19(3).

⁵² ILO, 2020. "Social protection responses to the COVID-19 pandemic in developing countries: Strengthening resilience by building universal social protection", Social Protection Spotlight. Geneva: ILO. https://www.ilo.org/wcmsp5/groups/public/---ed_protect/---soc_sec/documents/publication/wcms_744612.pdf

⁵³ ILO, 2020. "ILO Monitor: COVID-19 and the world of work. Fifth edition". Geneva: ILO.

⁵⁴ ILO, 2020. *Social protection responses to the COVID-19 crisis: Country responses and policy considerations*. Geneva: ILO. https://www.ilo.org/secsoc/information-resources/publications-and-tools/Brochures/WCMS_742337/lang--en/index.htm

⁵⁵ ILO, 2018. *Care Work and Care Jobs: For the Future of Decent Work*. Geneva: ILO.

working conditions for care workers results in improving the quality of care provision, benefiting care recipients and unpaid carers, who are—and continued to be during the pandemic—mostly women. Given the degree of feminization of the care workforce (including domestic workers in it), improving their working conditions also means improving women workers' overall working conditions. It also contributes to breaking sectoral segregation by attracting more men to care jobs.

► Focus on gender-responsive employment policies for medium to longer term recovery

While emergency policies have helped alleviate some of the labour market impact of the COVID-19 crisis, governments will need to put in place measures that support the transition into a job-rich recovery. It will be important to ensure that these measures explicitly counterbalance the gender-specific effects of the COVID-19 crisis and create the conditions to **support women's decent employment creation**. Gender-responsive employment policies are the conduit of such recovery effort, be them in the form of National Employment Policies (NEPs), subnational employment policies or other policies and strategies which actively seek to create jobs.⁵⁶

Employment policies, which cover policy domains from monetary and fiscal policies, sectoral strategies (including trade and investment policies), skills development, to employment services and active labour market programmes, can do this along multiple fronts. First, macroeconomic stimulus packages, comprising both monetary and fiscal policies, need to continue boosting aggregate demand in ways that support employment retention and creation, with a specific focus on women's employment and incomes.⁵⁷ Maintaining income support to increase consumption would be important as of the initial recovery face.

Second, sectoral policies need to continue to support sectors affected by lockdown measures, trade disruptions and general contraction in consumption and investment, particularly those whose employment is female

dominated. It is particularly important to avoid privileging men's jobs at the expense of women's, as this would further exacerbate sectoral segregation.

At the same time, sectoral policies need to identify where decent employment opportunities for women will come from in new and growing sectors, accompanied by policies to close women's skill gaps and that contribute to removing statutory and practical barriers to entry. Hiring subsidies that have specific gender balance requirements, for example, could serve this purpose.

Third, as mentioned above, active labour market policies need to continue to play their role in supporting women's reintegration to productive employment. For example, PES that take an explicit gender approach to their plans and operations are more likely to produce gender equitable outcomes.⁵⁸ Adequate financing for these policies will need to be secured as a matter of priority.

Fourth, it is crucially important to ensure respect for fundamental principles and rights at work and extend the coverage of labour market institutions, including minimum wages, employment protection and social protection. The crisis cannot be an excuse for their removal but all the more a reason for their extension, as countries with more solid labour institutions and social protection policies have been more resilient during the crisis and will be more prepared to pave a speedy recovery. Supporting women and men workers in the informal economy in their transitions to formality is also as pressing as ever.

How the ILO can assist

The ILO Centenary Declaration adopted in 2019 calls for a transformative and measureable gender equality agenda in line with the 2030 Agenda for Sustainable Development, notably in Sustainable Development Goals 5 and 8.⁵⁹ Amongst other objectives, the ILO's current programmatic priorities include work on gender-responsive national employment policies to deliver full and decent employment for all, and on gender-responsive macro-economic policies to finance investment in care services

⁵⁶ ILO, *forthcoming*. "Employment policies for a job-rich recovery from the COVID-19 crisis." Geneva: ILO.

⁵⁷ See Seguino, Stephanie, *forthcoming*. *How to Assess and Engender Fiscal Stimulus Packages to Respond to the Socio-Economic Impacts of COVID-19*, UN Women-ILO Joint Programme: Promoting Decent Employment for Women through Inclusive Growth Strategies and Investments in Care. Geneva: ILO and UN Women.

⁵⁸ ILO, *forthcoming*. "Employment services and labour market policy responses." Policy brief COVID-19. Geneva: ILO.

⁵⁹ ILO, 2020. "The COVID-19 response: Getting gender equality right for a better future for women at work." Geneva: ILO.

that create decent employment. Priorities also include the improvement of working conditions of care workers (health and social workers, teachers and domestic workers). The COVID 19 crisis has made these priorities even more relevant.

In order to support governments and social partners in implementing gender-sensitive policy responses to the COVID-19 crisis and recovery phase, the ILO and UN Women are implementing the Joint Programme “Promoting decent employment for women through inclusive growth policies and investments in the care economy”.⁶⁰ As a first step, the Joint Programme is developing the following policy tools, which will then be applied at the country level:

Tool 1: Assessing the gender- employment impacts of COVID-19. The assessment of the gendered employment impacts brought about by the COVID-19 pandemic

complements the ILO’s *Rapid Diagnostic*⁶¹ tool and includes an in depth look at relevant sectors and the policies geared toward supporting women’s employment in the emergency and ensuring a gender-responsive recovery.

Tool 2: Design of gender responsive stimulus packages by identifying entry points for both cushioning the impacts of the crisis and for ensuring an economic recovery that is gender-responsive, creating job opportunities for all.

Tool 3: Public investment estimates needed to support investments in care, and in particular in the public health sector. This includes costing exercises in the short and medium term, ensuring that the expansion of these sectors create decent work. The tool also addresses the sustainability of these investments.

⁶⁰ https://www.ilo.org/employment/about/news/WCMS_741946/lang--en/index.htm

⁶¹ ILO, 2020. “Rapid Diagnostics for Assessing the Country Level Impact of COVID-19 on the Economy and Labour Market.” Geneva: ILO. https://www.ilo.org/emppolicy/pubs/WCMS_743644/lang--en/index.htm

Contact details

International Labour Organization
Route des Morillons 4
CH-1211 Geneva 22
Switzerland

Employment, Labour Markets and Youth
Branch
E: emplab@ilo.org