



## **Close the Gap briefing for Scottish Government Debate: Programme for Government 2020/2021**

**September 2020**

Close the Gap is Scotland's expert policy and advocacy organisation working on women's labour market participation. We have 19 years' experience of working with policymakers, employers and employees to influence and enable action to address the causes of women's inequality at work.

### **1. Introduction**

The COVID-19 crisis has resulted in a rapid, and unprecedented shift in the economic landscape in Scotland. The Scottish Government estimates that during the current lockdown, output in the Scottish economy could fall by 33%.<sup>1</sup> Without mitigating action, COVID-19 will have long-term consequences for women's labour market equality and there is therefore an urgent need to integrate gender perspectives and women's needs into response measures.

Close the Gap welcomes the focus on promoting good quality employment and tackling rising unemployment in the Programme for Government. However, it is vitally important that reskilling, upskilling and employability initiatives are well-gendered in design and implementation, informed by gender-sensitive sex-disaggregated data and evidence on the gendered barriers to skills and training<sup>2</sup>, and mainstream employability services<sup>3</sup>.

### **2. Women's employment will be disproportionately impacted by COVID-19 jobs disruption**

Research published by Close the Gap in May concluded that women will be disproportionately impacted by job disruption as a result of COVID-19, and women are also more likely to lose their job in the anticipated "jobs recession".<sup>4</sup> The key findings of *Disproportionate Disruption* are:

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<sup>1</sup> Scottish Government (2020) *State of the Economy*

<sup>2</sup> Close the Gap (2020) *Submission to the Advisory Group on Economic Recovery* <https://www.closesthegap.org.uk/content/resources/Close-the-Gap-evidence-for-the-Advisory-Group-on-Economic-Recovery---May-2020.pdf>

<sup>3</sup> Engender (2016) *Unblocking the pipeline: Gender and employability in Scotland*

<sup>4</sup> Close the Gap (2020) *Disproportionate Disruption: The impact of COVID-19 on women's labour market equality* available at <https://www.closesthegap.org.uk/content/resources/Disproportionate-Disruption---The-impact-of-COVID-19-on-womens-labour-market-equality.pdf>

- **Because of occupational segregation, women are more likely to work in a shut down sector such as hospitality and retail, and this is especially the case for BME women and younger women.**
- **Women are more likely to have lost their job and had their hours cut.**
- **Women make up the majority (77%) of key workers** in care, early years and childcare, nursing and in supermarkets, but are **undervalued, underpaid and under-protected.**
- **Women are bearing the brunt of the increase of childcare and care** for adults in the home, making it difficult to do their paid work from home, where this is required by their employer. Women across the UK are typically providing at least 50% more childcare, as well as spending around 10% to 30% more time than fathers home-schooling their children.
- **Women account for the majority (51.5%) of those in jobs that are deemed to be at high exposure to job disruption.** Women in low-paid jobs will be particularly affected by job disruption, placing them at greater risk of poverty.
- **Women are more likely to lose their jobs in the recession, and be affected by underemployment.**

Indeed, labour market statistics show that the percentage of unemployed women in Scotland rose by 0.7 per cent between March and May 2020 alone, and recent figures highlight that the **female unemployment rate in Scotland has increased by 1.3 per cent over the last year, compared to a 0.3 per cent increase for men.** In addition, 61 per cent of female employees aged 17 across the UK have been furloughed. Unless gender equality is integrated into the economic recovery, the economic impacts of COVID-19 will exacerbate women's inequality in the labour market.

A further wave of redundancies from businesses that are struggling to stay afloat is expected with the end of the Job Retention Scheme in October. Low-paid female-dominated sectors, such as retail and hospitality, are less likely to 'bounce back' at the end of the crisis, meaning the impact on women's employment is unlikely to be fleeting. During 2010 and 2011, hospitality and non-food retail accounted for 22% of employment entries from unemployment. However, those traditionally labour-absorbing sectors during recoveries are the very sectors most likely to be shedding labour in the aftermath of COVID-19, potentially making this recovery particularly difficult and prolonged.<sup>5</sup>

### **3. A gender-sensitive youth guarantee**

The introduction of a job guarantee scheme in Scotland provides an opportunity to address rising female unemployment rates and to provide targeted training and development opportunities which address the gendered barriers to entry to and progress in good quality employment. We welcome the acknowledgement from Scottish Government that the Scottish Job Guarantee has to address the specific barriers to employment experienced by particular groups of young people; young women experience a range of inequalities in employment inflected by gender and age.

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<sup>5</sup> Resolution Foundation (2020) *Getting Britain working (safely) again: The next phase of the Coronavirus Job Retention Scheme*

Generic employability programmes replicate gendered patterns of skills acquisition and employment, ultimately entrenching occupational segregation and widening the gender pay gap<sup>6</sup>. The integration of gendered considerations at the earliest stage of design is thus integral to ensuring that the scheme meets women’s needs and benefits young women and men equally.

In creating a gender competent job guarantee scheme, Close the Gap calls on the Scottish Government to:

- Ensure the design of the Youth Guarantee challenges occupational segregation as a central aim.
- Ensure jobs created through the Guarantee are available on a flexible basis, enabling women with caring responsibilities to access the scheme.
- Ensure young women have access to gender-sensitive upskilling, including access to qualification-bearing training. The training element of the Guarantee should be designed to mitigate the gendered barriers to training and development.
- Ensure jobs created through the scheme pay at least the real living wage, regardless of the age of the participant.
- Include gender indicators in the design of the Scottish Job Guarantee and ensure that gender-sensitive sex-disaggregated data is collected, including data pertaining to type and level of job created, industry, labour market outcomes, and access to flexibility.

#### **4. The focus on “green jobs” shouldn’t mean investment in “men’s jobs”**

There is a strong focus on “green jobs” in Programme for Government, and while there is no specific definition currently available, Close the Gap is concerned that this is likely to prioritise investment in male-dominated jobs and sectors. The sectors identified as target sectors for the Green Jobs Fund include energy, transport, construction, agriculture, and manufacturing which are characterised by acute and chronic occupational segregation. Increased focus and investment in male-dominated sectors will disbenefit women, worsen women’s unemployment, widen the gender pay gap, and risks exacerbating women’s poverty. A drive for “green jobs” must, therefore, be accompanied by measures to address occupational segregation in male-dominated sectors.

#### **5. Gender and Economic Recovery**

*Gender and Economic Recovery*, jointly published by Close the Gap and Engender details the principles for a gender-sensitive economic recovery.<sup>7</sup> The principles describe features of an economy that works for women as well as men, and develops Scotland’s existing commitment to inclusive growth so that women are not left behind. The nine principles are a set of ideas, challenges, and calls that are rooted in evidence. For example, the COVID-19 crisis has illuminated the critical role “women’s work” plays in Scotland’s economy, and one of the principles highlights that “women’s work” in care, cleaning, catering, retail, and

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<sup>6</sup> Engender (2016) *Unblocking the pipeline: Gender and employability in Scotland*

<sup>7</sup> Close the Gap and Engender (2020) *Gender and Economic Recovery*

clerical roles have for too long been undervalued, underpaid, and under-protected. This principle highlights the importance of addressing the systemic undervaluation of “women’s work” as a key priority of economic recovery, through measures such as using state and public body wage setting powers to increase pay in these sectors and improve their conditions of work.

The remaining principles range from specifying that gender-sensitive inclusive growth is about the pattern of growth and not its rate, to stipulating that unpaid domestic and care work needs to be recognised, reduced, and redistributed from the household to the state by an increase of accessible, good quality childcare and social care. Pivotaly, one of the principles highlights that while equality is good for growth, the converse isn’t necessarily true. The principles will create better jobs, better decision-making, and a more adequate standard of living for us all.

The report of the Advisory Group on Economic Recovery does not integrate these gendered issues and nor is there any evidence of gender considerations in the recommendations it has produced.<sup>8</sup> There is a similar lack of gender analysis and a lack of gender-sensitive actions in the Scottish Government’s Economic Recovery Implementation Plan. The Implementation Plan acknowledges women’s disproportionately negative experience of Covid-19 and then largely ignores it. The majority of the Scottish Government’s proposals for spending and action do not mention women or gender, and do not take account of the profoundly different experiences women have of care, skills, work, and the economy.<sup>9</sup> Scottish Government needs to go further to ensure that economic recovery also advances women’s socio-economic and labour market equality.

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<sup>8</sup> Engender and Close the Gap (2020) *Response to the Advisory Group on Economic Recovery report* available at <https://www.closesthegap.org.uk/content/resources/Close-the-Gap-and-Engender-response-to-the-AGER.pdf>

<sup>9</sup> Engender (2020) *Engender Parliamentary Briefing: An implementation Plan for Economic Recovery*