

Close the Gap briefing for Scottish Labour Debate: Recognising the Importance of Family Caregivers

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Close the Gap is Scotland's policy advocacy organisation working on women's labour market participation. We have been working with policymakers, employers and employees since 2001 to influence and enable action that will address the causes of women's labour market inequality.

1. Introduction

Care is profoundly gendered. Women do the bulk of unpaid and informal care, and comprise 85% of the social care workforce in Scotland.¹ Social care is vital to women's lives, as workers and as service users, and to the functioning of Scotland's economy. Investment in the workforce is core to providing high quality personalised care. Despite this, the social care workforce is underpaid, undervalued and under-protected.²

The ongoing COVID-19 crisis has further highlighted pre-existing issues in social care provision, including the undervaluation of the predominantly female social care workforce. Over the course of the crisis, there have been widely reported concerns around PPE for social care staff. The Royal College of Nursing have raised particular concerns around access to PPE for staff working outside of a hospital environment, including care home staff,³ and a report found that social care workers are more than twice as likely to die from COVID-19 as colleagues on the NHS frontline.⁴

Social care workers are essential to a successful pandemic response, and there has been a shift in societal attitudes around the low pay and poor terms and conditions associated with social care work. It is therefore crucial that investment in social care, with particular interventions to address the undervaluation of the workforce, are core to economic recovery in the aftermath of the pandemic. **Care is as essential to our economy as bricks, steel, and fibre optic cable.** Research by the Women's Budget Group also found that investment in care is an effective way to stimulate employment, reduce the gender

¹ Scottish Social Services Council (2019) Scottish Social Service Sector: Report on 2018 Workforce Data

² Close the Gap (2020) Disproportionate Disruption: The impact of COVID-19 on women's labour market equality

³ Royal College of Nursing (2020) 'Nurse leader calls on First Minister to intervene on protective equipment supply' available at https://www.rcn.org.uk/news-and-events/news/rcn-writes-to-fm-re-ppe-23-mar-2020

⁴ McArdle, Helen (2020) 'Social care workers twice as likely to die from Covid as colleagues on NHS frontline', *The Herald*, 18th June 2020, available at https://www.heraldscotland.com/news/18524205.coronavirus-social-care-workers-twice-likely-die-covid-colleagues-nhs-frontline/

⁵ Close the Gap and Engender (2020) Gender and Economic Recovery

employment gap and to counter economic recession.⁶ This research found that **investment** in care in the UK would produce 2.7 times as many jobs as an equivalent investment in construction, investment in care is greener than investment in construction and more of its costs would be recouped in increased income tax and National Insurance contributions.

Overall, the vision for social care reform must recognise that many of the challenges identified with the system, and particularly the workforce challenges, are a cause and consequence of gender inequality. It is pivotal that the independent review of the care system, announced in the Programme for Government and led by Derek Feeley, makes recommendations that address the undervaluation of care workers as a central aim of reform.

2. The undervaluation of the social care workforce

The concept of undervaluation underpins gendered experiences of low pay, occupational segregation and the gender pay gap. In economics, the undervaluation of "women's work" means that there is evidence of lower returns to women's productive characteristics. Practically, this means that women will receive lower pay from investing in education or from their own work experience. The undervaluing of "women's work" contributes to women's higher levels of in-work poverty; two-thirds of workers earning below the Real Living Wage are women.

The undervaluation of the social care workforce is sustained by stereotypes around gender roles and assumptions and women's and men's capabilities and interests. There is widespread assumption that caring and other unpaid work done in the home is better suited to women because historically it has been their role. This drives the undervaluation of this labour when it is done in the labour market, with jobs such as cleaning, catering, childcare and social care paid at, or close to, the minimum wage as a result. In addition, the idea that women are intrinsically more caring is used to justify the low pay attached to care work in the labour market, with perceived job satisfaction a substitute for fair pay. The designation of care as low-skilled contributes to the economy-wide undervaluation of care work more broadly.

Action to tackle the undervaluation of the workforce must, therefore, be core to work to reform social care in Scotland. This work is particularly important considering the serious challenges for the workforce as a result of changing demographics and the implications of Brexit for the sector's reliance on migrant workers. Many employers in the care sector are already reporting high vacancy rates, a shortage of good quality applicants and high staff turnover. The overall vacancy rate in social care is already almost twice the Scottish average. ¹⁰ **1** in **5** care workers were born outside the UK, ¹¹ and the sector is likely to experience significant staffing pressures as the wage threshold set in the UK Government's

⁶ Women's Budget Group (2020) A Care-led Recovery from Coronavirus: The case for investment in care as a better post-pandemic economic stimulus than investment in construction https://wbg.org.uk/wp-content/uploads/2020/06/Care-led-recovery-final.pdf

⁷ Grimshaw, Damien and Jill Rubery (2007) *Undervaluing Women's Work*, Equal Opportunities Commission ⁸ Ibid

⁹ Scottish Parliament Information Centre (2017) *The Living Wage: Facts and Figures 2017*

¹⁰ NHS Scotland and COSLA (2019) An Integrated health and social care workforce plan for Scotland

¹¹ Engender (2020) Women and COVID-19

immigration bill excludes the majority of social care workers. It is impossible to resolve these workforce issues while maintaining low pay in the sector.

Additionally, if more men are to work in the care sector, which is a necessary prerequisite to meeting staffing requirements, reducing occupational segregation and closing the gender pay gap, there needs to be an economic imperative to do so, with appropriately remunerated jobs with clear progression pathways as evidence that it is a good career choice. Without action to tackle undervaluation and to invest in care work, any future gaps in social care provision are likely to lead to increased pressure on women to fulfil these roles on an unpaid basis, potentially driving them out of the workforce and into greater poverty. ¹²

3. Addressing low pay in the social care sector

At present, there are a diversity of social care providers in Scotland, with the private sector comprising 40% of providers, the public sector 33% and the third sector 28%. This partly explains the variance in pay, terms and conditions across the sector. While there are higher rates of pay found in the public sector, average hourly pay in the wider social care sector is just £9.79.¹³ Indeed, recent analysis from the STUC concluded that 43% of the Scottish social care workforce are being paid less than the Real Living Wage, compared to 17% for workers across the Scottish economy.¹⁴

Scottish Government measures to increase pay for the lowest paid workers in the public sector by facilitating the payment of the Living Wage are welcome. However, the Living Wage is not a panacea for undervaluation as it does not address the crux of the low pay problem, which is that social care work is undervalued because it is mostly women who do the work. Increasing the wages associated with social care alone will therefore be insufficient to better recognise the status and skills of the workforce. To date, raising the wage floor has not addressed the undervaluation of women's work.

4. Fair work for women and the social care sector

The Fair Work in Scotland's Social Care Sector report¹⁵ concluded that fair work is not being delivered in the social care sector and highlights the undervaluation of women's work as a key theme. Indeed, in additional to low pay, employment in the social care sector is also characterised by a range of other features including:

- Increasingly precarious forms of employment, such zero hours contracts, which
 negatively impact predictability of shifts, regular income, household budget
 management, women's in-work poverty and children's poverty.
- A rise in self-employment, with women losing critical employment rights such as sick pay, holiday pay, maternity leave and pay, and the right to request flexible working.

¹² Close the Gap (2020) Disproportionate disruption: The impact of COVID-19 on women's labour market equality

¹³ Fair Work Convention (2019) Fair Work in Scotland's Social Care Sector 2019

¹⁴ Williams, Martin (2010) 'Half of Scotland's care workers paid less than Real Living Wage', *The Herald*, 2 May 2020, available at https://www.heraldscotland.com/news/18421934.half-scotlands-care-workers-paid-less-real-living-wage/

¹⁵ Fair Work Convention (2019) Fair Work in Scotland's Social Care Sector 2019

- Increasing time constraints on service delivery which detrimentally affects quality of care, results in many workers doing unpaid overtime, which in turn affects women's physical and mental health. One in six social care workers do unpaid overtime each week.¹⁶
- Some workers not being reimbursed for mileage, or not being paid for travel time between visits to service users. Homecare employers across the UK have acknowledged that 19% of workers recorded working time is unpaid spent travelling between visits. 17
- Limited progression opportunities caused by the largely flat staffing structures, with little differentiation in pay between levels of seniority, which makes working in the sector less attractive to potential new recruits.
- A lack of access to training and development opportunities. 18
- Problems with recruitment and retention, with the sector exhibiting the highest sectoral staff turnover rate in the labour market¹⁹, and more than a third of social care services reporting that they have had unfilled vacancies in the past 18 months²⁰.

5. Economic recovery and inclusive growth means investing in a care economy.

In spite of increasing demand for services, social care is not designated one of Scotland's growth sectors. This sustains the undervaluation of social care as a profession, and the unpaid care predominantly done by women. In *A Fairer Scotland for Women*, Scotland's first gender pay gap action plan, the Scottish Government recognises the importance of care to gender equality and commits to develop an approach that will treat investment in childcare and social care as infrastructure.²¹ This commitment has been reaffirmed in the Scottish Government's response to the Advisory Group on economic recovery, however it remains a commitment to 'explore options' in this area, rather than to imminent changes in the categorisation of spending on social care investment.²²

Determining which economic sectors will be a focus for development, investment, and growth in Scotland has the potential to widen or narrow the gender pay gap. Scotland's growth sectors as outlined in Scotland's economic strategy²³ are heavily weighted towards male-dominated industries, such as energy, life sciences and financial and business services, which contributes to women's higher rates of poverty and sectoral skills shortages. Consequently, this policy focus is very likely to widen the gender pay gap, as investment has not yet incorporated significant and substantive efforts to militate against occupational segregation. Ultimately, this means that men, and "men's jobs" disproportionately benefit from Scottish Government-driven investment and development. Unfortunately, the report of the Advisory Group on Economic Recovery replicates this traditional approach to infrastructure investment, with the Group's recommendations for job stimulus focusing on

¹⁶ Office for National Statistics (2017) Labour Force Survey 2017

¹⁷ Hayes, L.B.J. (2017) Stories of Care: A labour of law – gender and class at work, Palgrave: London

¹⁸ Scottish Government (2019) Social Care Support Reform: Summary of discussion paper responses

¹⁹ Hayes, L.B.J. (2017) Stories of Care: A labour of law – gender and class at work, Palgrave: London

²⁰ Fair Work Convention (2019) Fair Work in Scotland's Social Care Sector 2019

²¹ Scottish Government (2019) A Fairer Scotland for Women: Scotland's gender pay gap action plan

²² Scottish Government (2020) Economic Recovery Implementation Plan

²³ Scottish Government (2015) Scotland's Economic Strategy

male-dominated sectors.²⁴ While the Group highlight the social care sector as requiring reform and investment, it adopts a mainstream economics approach which frames spending on caring professions as current consumption, as opposed to capital investment.²⁵

A long-standing call of Close the Gap has been to designate care a key growth sector, and this call have been reiterated in Close the Gap and Engender's recently-published joint paper, *Gender and Economic Recovery*, which sets out nine principles for a gender-sensitive economic recovery. Recognising childcare and social care as infrastructure is critical to realising gender equality, not only for those accessing services but also for the predominantly female workforces. This would drive the policy focus and allocation of resources necessary to grow the sectors, and address the systemic undervaluation of "women's work". Social care, along with childcare, is critical infrastructure which enables women's labour market participation, and is a necessary step in realising women's wider economic equality. Inclusive growth must mean investing in a care economy, with investment in childcare and care for disabled people and older people should be considered as necessary infrastructure for a sustainable wellbeing economy and a good society.²⁷

6. Conclusion

COVID-19 has illuminated the importance of social care work in Scotland's economy with those in social care now recognised as key workers. This realisation should be a driver for improving pay, terms and conditions in the sector. Investment in social care, and addressing the gendered undervaluation of the workforce should be core to the economic recovery. Improving the pay, terms and conditions and crucially addressing the gendered undervaluation of the social care workforce, should be central to the independent review of the care sector. Establishing a national care service provides an important opportunity to improve the quality of care in Scotland, while also improving job quality and raising the status of paid care work. Outsourcing and the mixed market of delivery has entrenched undervaluation and women's inequality in the social care workforce, with commissioning processes that prioritise cost over good quality employment.

Care is profoundly gendered. Women are four times more likely to give up employment because of multiple caring responsibilities, ²⁸ and COVID-19 has exacerbated the gendered patterns of care. There are now **1.1 million unpaid carers in Scotland, 61% of whom are women. This is an increase of 392,000 since the start of the crisis with 78% of carers having to provide more care than they were prior to the coronavirus outbreak. ²⁹ This means that, in addition to social care reform having clear implications for the predominantly female workforce, a good quality social care system is therefore an important enabling factor to closing the gender pay gap as it allows women in participate in the labour market.**

²⁴ Scottish Government (2020) Towards a robust, resilient wellbeing economy for Scotland: Report of the Advisory Group on Economic Recovery

²⁵ Close the Gap and Engender (2020) Gender and Economic Recovery

²⁶ Ibid.

²⁷ Ibid.

²⁸ Carers UK and Employers for Carers (2012) Sandwich Caring: Combining childcare with caring for older or disabled relatives

²⁹ Engender (2020) Gender and Unpaid Work: The Impact of COVID-19 on Women's caring roles