

# Close the Gap response to the Equalities and Human Rights Committee on the impact of COVID-19 on equalities and human rights

### 22nd May 2020

#### 1. Introduction

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.

It is clear that COVID-19 has potentially far-reaching implications for the realisation of equalities and human rights commitments in Scotland. The ongoing crisis has resulted in a rapid, and unprecedented shift in the economic landscape in Scotland, and one of the early implications of COVID-19 has been to further highlight women's continued socio-economic inequality in Scotland.

Close the Gap welcomes the opportunity to submit evidence to the Equalities and Human Rights Committee's inquiry on the impact of COVID-19. The Committee's focus on obtaining an understanding of what groups and individuals have been disproportionately impacted by COVID-19 is particularly important in the development of evidence-based policy solutions which promote equality for these particular groups during the economic recovery. In particular, we urge the Committee to consider the impacts of COVID-19 on women's labour market participation and women's wider socio-economic inequality. It is also essential that the Committee adopt an intersectional approach to this inquiry, with our evidence highlighting that some groups of women are at particular risk of job disruption, including Black and minority ethnic (BME) women and young women.

This paper accompanies our recently published report, <u>Disproportionate Disruption</u>: <u>The impact of COVID-19 on women's labour market equality</u>, which we have submitted to the Committee as initial evidence for the purposes of this inquiry. The research assesses the disproportionate impact of COVID-19 on women's employment, and the effects that the anticipated "jobs recession" is likely to have on women. Women's disproportionate risk of job disruption has potentially far-reaching

consequences for women's equality in Scotland across a number of policy areas including employment; poverty (including child poverty); social security; violence against women and health.

It is essential that responses to the crisis are gendered with labour market and economic recovery policymaking integrating gender equality and addressing the inequalities women face at work as a core aim. Otherwise, one of the key long-term impacts of COVID-19 will be to exacerbate gender inequality in the labour market.

## 2. Close the Gap research finds that women workers will be disproportionately impacted by job disruption

The key findings of the *Disproportionate Disruption* are:

- 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, had their hours cut, and more likely to be furloughed.
- Women make up the majority 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 in 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 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.

Of particular relevance to the Committee's other ongoing inquiry on race equality, employment and skills, to which Close the Gap will be submitting evidence in due course, is that BME women are at particular risk of job disruption. BME women are more likely to work in a sector that has been shut down; more likely to be in insecure work which puts them at increased risk of loss of hours and earnings; and are concentrated in low-paid service sectors which are more susceptible to redundancies over the course of the crisis. This has the potential to further entrench labour market inequality for BME women who already face multiple barriers to good quality employment.<sup>1</sup>

Close the Gap's analysis highlights the importance of gender analysis and gendersensitive sex-disaggregated data in labour market policymaking. Applying a gendered

<sup>&</sup>lt;sup>1</sup> Close the Gap (2019) *Still Not Visible: Research into Black and minority ethnic women's experience of employment in Scotland* 

lens to existing predictions and analysis around the labour market impacts of COVID-19 highlights that women are likely to be disproportionately impacted by labour market disruption in a number of ways. It is therefore critical that gender-sensitive data analysis and gender mainstreaming approaches are integrated into all labour market and economic recovery policymaking.

It is also important that gender equality remains a key priority for the Scottish Government in responding to the crisis, and in the economic recovery. There has already been some visible deprioritising of women's equality which is likely to have long-term implications for efforts to close the gender pay gap and advance women's equality. For example, the Scottish Funding Council have delayed the deadline for the publication of gender action plans, and the UK Government's decision to suspend gender pay gap reporting is a clear deprioritisation of women's equality at work. It is also unnecessary as pay gap reporting itself is unlikely to have a significant impact on large employers' ability to operate, given much of the work to report was likely to have been in progress. Deprioritising women's equality at this time ignores the gendered impact of the crisis and suggests that the UK Government does not consider gender equality to be important during economic crises. The suspension of reporting is likely to lead to further inaction on the causes of the gender pay gap by employers, and will ultimately compound women's inequality in the labour market.<sup>2</sup>

The Scottish Government have also announced that local authorities will temporarily no longer be legally obliged to deliver 1140 hours of funded childcare from August 2020. Work to promote the realisation of equalities in Scotland must, therefore, include the implementation and delivery of the extended funded entitlement as a key priority in the aftermath of the crisis. Access to childcare is a critical enabler of women's labour market participation and the delay to the implementation of the additional funded hours is likely to have far-reaching implications for Scotland's gender pay gap and women's labour market inequality. The threat of nursery closures during the crisis may also lead to a shortage in provision, creating further barriers for women in returning to work or resuming their normal working hours.

The postponement of policy commitments around gender equality, either with or without good reason, ultimately sends a message that gender equality is not important during periods of crisis. It is therefore essential that, moving forward, the Scottish Government maintains a strong commitment to the promotion and realisation of equalities in Scotland.

The lack of consideration afforded to gender in the aftermath of the 2008 financial crisis resulted in the recession having a disproportionate impact on women's employment. It is vital that the lessons of 2008 are incorporated into the responses to this economic crisis, as the impending recession is anticipated to be more severe.

<sup>&</sup>lt;sup>2</sup> Close the Gap (2020) 'Lockdown on the gender pay gap' available at https://www.closethegap.org.uk/news/blog/lockdown-on-the-gender-pay-gap/

It is essential that the Scottish Government enact a gendered response to the anticipated jobs recession, with interventions specifically designed to tackle women's labour market inequality.

To this end, the report makes a number of recommendations to Scottish Government including:

- ensuring that that gender-sensitive sex-disaggregated data informs future labour market analysis;
- ensuring policymaking to address COVID-19 labour market disruption addresses occupational segregation as a central aim;
- integrating gender-sensitive data analysis and gender mainstreaming approaches into labour market and economic recovery policymaking, and programme and service design; and
- addressing the undervaluation of women's work should be core to labour market and economy recovery policy responses.

#### 3. Conclusion

Close the Gap urge the Committee to consider the findings and recommendations of *Disproportionate Disruption* over the course of this inquiry. It is vitally important that the Committee adopt a gendered lens when analysing evidence submitted to this inquiry and make gender-sensitive recommendations which seek to tackle women's inequality in the labour market. This should include gathering and utilising gender-sensitive sex-disaggregated data around the impacts of COVID-19. Without such a gendered approach, a likely impact of the crisis will be to exacerbate women's inequality in the labour market.

We note that there are a number of uncertainties around the medium-term outlook and Scotland's economic recovery. Ultimately, this means there remains a lack of clarity on the full extent of labour market disruption, and how long the disruption will last. In addition, this remains a fast-moving environment, with Government interventions, labour market changes and the economic landscape developing at pace. For this reason, in line with the open-ended nature of this inquiry, Close the Gap would welcome the opportunity to provide further evidence to the Committee as the crisis develops.