



Falling Through the Cracks: Women, COVID-19 and the gig economy

The COVID-19 pandemic represents an unprecedented challenge, which has the potential to significantly set back efforts to address women's labour market inequality in Scotland¹. Women comprise the majority of key workers in the crisis, often working in undervalued low-paid jobs. Women's propensity to have caring roles mean they face additional childcare responsibilities with the closure of schools and nurseries, which in turn makes it more difficult to do paid work, where they are able enabled to do this flexibly from home. Women's employment has become increasingly precarious in recent years, and COVID-19 brings this into sharper focus. Gender-blind responses to the crisis will entrench women's labour market and economic inequality, and push more women and their families into poverty.

This briefing highlights the specific challenges for women working in the gig economy. Despite recent welcome announcements by UK Government to provide financial protections for employees through the Job Retention Scheme and for the self-employed through the Self-employed Income Scheme, a critical gap in financial protection has emerged for gig economy workers who are ineligible for both schemes.

Women, the gig economy and COVID-19

Gig economy workers do not have access to important employment rights such as sick pay and holiday pay, nor maternity provision and the right to request flexible working which particularly disadvantages female gig workers. Women engage with the gig economy in different ways to men, and are concentrated in stereotypically female, undervalued work such as care and cleaning. Nearly 75% of women in the gig economy earned less than the taxable threshold, and two-thirds of women in the gig economy are also in other work².

Self-employment is becoming increasingly common in the social care sector, with many women in the sector accessing work through online platforms and apps³. Social care workers are among the key workers on the frontline of the COVID-19 crisis. Yet this work

¹ Close the Gap *Coronavirus brings new focus to women's continued labour market inequality*
<https://www.closesthegap.org.uk/news/blog/coronavirus-brings-new-focus-to-womens-continued-inequality/>

² RSA (2017) *Good Gigs: A fairer future for the UK's gig economy*

³ Close the Gap (2020) *Submission to the Health and Sport Committee inquiry into social care*
<https://www.closesthegap.org.uk/content/resources/Close-the-Gap-submission-Health-and-Sport-Committee-inquiry-into-social-care.pdf>

is systemically undervalued in the economy because it is seen as “women’s work”. The frontline exposure to the virus is amplified by widespread reports of a lack of appropriate PPE⁴.

Individuals experiencing symptoms of COVID-19, or living in households where someone is symptomatic, are being advised to self-isolate. Women working in the gig economy therefore have the difficult decision to either self-isolate and not work, thereby leaving them with no wages, or continue to work which increases the health risk for them, their family and others. UK Government has advised that gig economy workers unable to work because they are self-isolating can apply for Universal Credit in lieu of eligibility for statutory sick pay. However, Universal Credit is problematic for women in a range of ways, for instance:

- **Universal Credit is a single household payment** which entrenches the “male breadwinner” model and assumes equal sharing of income between mixed-sex couples. Evidence on intra-household distribution shows that single household payments reduce women’s financial independence and make it easier for abusive men to perpetrate economic abuse.⁵
- There is a **five-week wait to receive Universal Credit**, which will leave women without any income for at least that period. Recent figures show that 950,000 claims for Universal Credit have been made in the past two weeks which is highly likely to put further strain on the processing of claims. This huge demand is against the backdrop of severe austerity measures and public sector cuts which have resulted in drastic cuts to DWP staffing.
- Women gig economy workers who are eligible for Universal Credit will receive a **rate equivalent to statutory sick pay of £94.25 per week. This rate is entirely insufficient to meet the living costs of a household**, and will pose a significant challenge, in particular to lone parents and other groups of women who experience increased economic inequality such as BME women and disabled women.

This problem is compounded by women’s propensity to be primary carers. With schools and nurseries closed, many women with childcare responsibilities are now unable to work, and for those in the gig economy, this means having no income. There is a significant risk that COVID-19 will pressure many women to give up work and force them into the social security system, which will have long-term consequences for women’s and children’s poverty, women’s labour market equality and Scotland’s economy.

⁴ UNISON *Care workers put at risk by lack of face masks and basic safety kit*
<https://www.unison.org.uk/news/2020/03/care-workers-put-risk-lack-face-masks-basic-safety-kit-says-unison/>

⁵ Engender (2016) *Gender Matters in Social Security: Individual payments of Universal Credit*

Women, the gig economy and fair work

Close the Gap welcomes Scottish Government's commitment to fair work principles in responding to the pandemic⁶. In particular, that no workers should feel under pressure to breach public health advice, be put at unnecessary risk, nor should they put others at risk of infection; and that self-employed contractors should be treated as if they were employees during the crisis. However, existing work to promote fair work is not well-gendered. It is critical that responses to COVID-19 recognise the differences in women's and men's lives; taking a gender approach can mitigate the negative health, economic and social consequences of the pandemic for women in Scotland⁷.

Close the Gap calls on Scottish Government to:

- Consider how it can mitigate the economic impact of COVID-19 on women working in the gig economy, including social care workers.
- Ensure its responses to COVID-19, and particularly in promoting fair work, take account of women's different experiences of the gig economy, caring, the labour market and social security.
- Ensure that future policymaking on labour market interventions and rebuilding the economy are gender competent.
- As part of work to rebuild the economy, accelerate the commitment in A Fairer Scotland for Women, Scotland's gender pay gap action plan, to develop an approach to treat investment in childcare and social care as infrastructure, and address low pay in the sector.

UK Government should:

- Ensure workers accessing Universal Credit are paid equivalent of the Real Living Wage.
- Introduce split payments of Universal Credit, and any emergency funds introduced should be paid at individual and not household levels.
- Remove the five-week wait for Universal Credit payments, and remove the two-child cap.
- Increase the rate of Statutory Sick Pay and reassess eligibility criteria.

⁶ Fair Work During the COVID-19 Crisis: Joint statement by Scottish Government and Scottish Trades Union Congress

⁷ Engender (2020) *Women and COVID-19* <https://www.engender.org.uk/content/publications/Engender-Briefing---Women-and-COVID-19.pdf>