

WOMEN

AND THE

CORONAVIRUS

CRISIS

SOCIAL EUROPE DOSSIER

WOMEN AND THE CORONAVIRUS CRISIS

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PREFACE

The coronavirus crisis is different from known economic crises of the past. First, this time it is affecting industries previously less prone to crisis and in which more women work, meaning the highest developed and richest countries in the world are also deeply hit.

The sectors affected are primarily the gastronomy, tourism and retail industries. In typical economic crises of the past, manufacturing industry or the construction sector were affected—mainly male-dominated professions. This was also the case in the financial crisis of 2008.

Secondly, according to the evidence, men have more opportunities for telework than women and are more likely to keep their jobs. Meanwhile, the care deficits caused by the closure of daycare centres and schools threaten reversals for feminism and emancipation.

What's next? Currently, economic analysts are predicting an end to the crisis at the end of 2021. The moment to reflect and give future scenarios a space is now. This project, supported by the *Friedrich Ebert Stiftung* and the *Hans Böckler Stiftung*, formulates progressive answers on how to support women and how women can support the recovery from the coronavirus economic crisis.

ONE

BEARING THE BRUNT: THE IMPACT OF
COVID-19 ON WOMEN

SOFIA FERNANDES AND KLERVI KERNEÏS

Unlike previous economic crises, the current crisis has disproportionately affected women's employment in the European Union. This is not only reflected in significant job losses in female-dominated sectors of the economy, but also—perhaps more strikingly—in poorer working conditions, greater financial fragility and further work-life conflict for women.

Between March 2020 and February 2021, the number of unemployed in the EU rose by around 2.4 million, of whom more than 1.3 million were women. Female unemployment increased by 20.4 per cent, against 16.3 per cent for men.

Beyond job losses—dampened by the short-time work schemes in place in almost all EU countries—the impact of the pandemic on employment is evident in the fall in hours worked. Between the last quarter of 2019 and the second quarter of 2020, the drop in total hours worked in the main job was again more marked for women (-18.1 per cent) than men (-14.3 per cent).

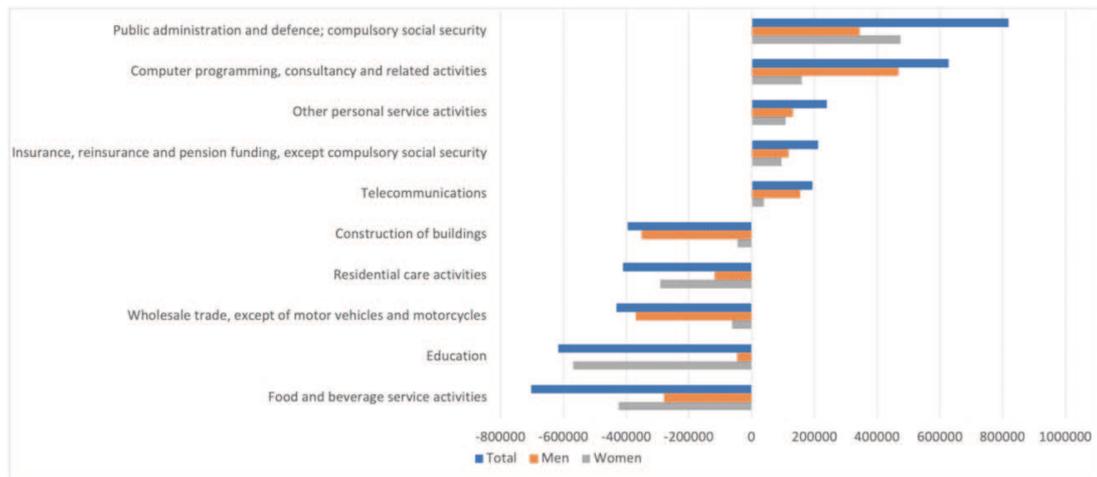
Already-existing imbalances

This disproportionate impact on women has a lot to do with already-existing gender imbalances straddling sectors of the economy. ‘Social distancing’ and lockdown measures have hit most intensely services requiring direct contact with people, where teleworking is not an option: accommodation, food services, tourism, retail, entertainment, domestic work and so on.

Because women account for 61 per cent of workers in these sectors, they have been more exposed to redundancy, temporary layoffs and reduced hours: only in retail and entertainment did men suffer more job losses between the last quarter of 2019 and the third quarter of 2020 (see chart). In food services and accommodation—undoubtedly the worst hit—880,000 jobs were lost during this period, 535,000 of them held by women.

Male-dominated sectors, such as industry and construction, have not been immune to the crisis. Not only was the initial drop in activity less intense, however, but they also rebounded more quickly and strongly in the following months than contact-intensive services, whose decline has been just as dramatic during the second and third waves of the pandemic.

In addition, between Q4 2019 and Q3 2020, job creation systematically favoured men over women (except in the public sector). Notably, hires in telecommunications and computer programming benefited 630,000 men but fewer than 170,000 women.



EU-27 job losses and gains, Q4 2019 to Q3 2020 (Eurostat)

In the longer term, women’s employment is likely to deteriorate further. With the end of support provided by short-time work schemes and other public measures, sectors unable to recover quickly and strongly are likely to face massive company failures and an upsurge in unemployment.

According to the European Commission’s forecasts, services will take longer to recover, barely reaching pre-crisis levels at the end of 2021—meaning that women could experience effects from the crisis more enduring than for men. In addition, research suggests that, once the furlough schemes come to an end, non-standard workers are more likely to be made redundant than full-time employees. Because women are over-represented in this category—constituting the great majority of part-time workers—they are also more at risk of being laid off in the months to come.

Most undervalued

Women make up the majority of frontline workers: 76 per cent of healthcare workers, 82 per cent of food-store cashiers, 86 per cent of personal care workers, 93 per cent of childcare workers and teachers, and 95 per cent of domestic cleaners and helpers. During the crisis, these workers experienced an increased workload, with greater expo-

sure to health risks and emotional demands than experienced by any other category of worker. Yet, despite arduous working conditions, these occupations are also some of the most undervalued—including under-paid—in the EU.

Moreover, even though extraordinary measures to protect workers and companies during the crisis have cushioned income losses, women have been experiencing greater economic difficulties than men—probably due to prior inequalities. Because women are over-represented among low-wage workers in the EU, making up 58 per cent of minimum-wage earners and 62 per cent of workers earning substantially less than the minimum, wage-replacement measures—even where generous—may have been insufficient to guarantee their economic security during the pandemic. Indeed, according to Eurofound, more women have reported difficulties making ends meet and maintaining their standard of living during this time: 58 per cent said they could not get by for more than three months, compared with 48 per cent of men.

Yet because of the severe economic strain suffered by many companies during the pandemic, gender-equality measures will, at least in the short term, likely be perceived as a secondary issue by company boards—especially since across the EU women make up only 34 per cent of board members and just 9 per cent of chairs. Governments, meanwhile, might be inclined to give companies some slack on their obligations regarding pay reporting and other measures to tackle pay inequalities between men and women. In France, for instance, companies are already postponing adoption of equality plans to reduce the gender pay gap—despite the demonstrated economic benefits of so doing.

Unequally shared

The generalisation of teleworking, together with the closure of schools and childcare because of lockdowns, has increased care needs within households during the pandemic. Yet old habits die hard—

especially when it comes to gender roles—and this heavier burden has not been equally shared.

According to preliminary research, women have been the ones to take on the bulk of unpaid care, spending far more time than men caring for children and doing housework (53 hours versus 37 hours). The difference is even more staggering looking only at women with children: they have been spending 85 hours per week on these tasks, compared with 51 hours for men.

This increase in domestic and care responsibilities has left women struggling to balance their work and personal life. Seventeen per cent of women with children reported that it was hard for them to concentrate on their job because of their family and 13 per cent said their family prevented them from giving time to their job. Men, by contrast, seemed largely unaffected, with only 6 and 3 per cent of them respectively so affirming.

Data also confirm that women have been more likely to reduce their working hours to provide childcare during the pandemic. This forced ‘under-involvement’ at work could have lasting consequences for women’s careers, since it could jeopardise their chance of being promoted over their male counterparts who have not felt the same constraints. In addition, this puts some women on the frontline of future job cuts.

Real concerns

Concerns that the pandemic will reverse recent gains in gender equality in the labour market are thus real and need to be addressed. To avoid long-lasting effects on women’s employment that would turn the economic downturn into a true ‘she-cession’, the EU and its member states need to ensure a gender-sensitive recovery. That entails mainstreaming the gender dimension in their recovery plans and including specific actions to tackle existing inequalities, such as the gender-employment and pay gaps among many others.

Overcoming the crisis should not sideline the fight for gender equality—but reinforce it.

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TWO

COVID-19: A TALE OF TWO SERVICE
SECTORS

JOHN HURLEY

The employment fallout of Covid-19 has been a story of two types of service work. Office-based knowledge workers have largely kept their jobs and incomes while participating in the huge and apparently successful *ad hoc* social experiment of working from home. Client-facing service workers have borne the brunt of the lockdowns and the steep declines in demand for in-person services in restaurants, hotels, leisure and the arts.

The upshot is that, unlike the ‘mancession’ following the global financial crisis, the first impacts of the pandemic have fallen disproportionately on low-paid female workers. But to see this in the statistics, we must start by looking beyond the unemployment rate.

It is now a commonplace that unemployment has risen only modestly in the European Union since the onset of the pandemic. The EU27 rate stands at 7.5 per cent, less than a percentage point higher than its pre-crisis low. In some member states, notably Italy, unemployment *declined* sharply in the second quarter (Q2) of 2020, even as coronavirus-related mortality peaked.

But we should not be reassured by the headline labour-market data. The unemployment rate, our customary indicator of labour-

market health, has been particularly inadequate to calibrate the effect of the pandemic on employment for European workers.

A higher proportion of workers have moved into inactivity than into unemployment, leaving the labour market—and so the unemployment statistics—altogether. Many workers benefiting from temporary lay-off and short-time working schemes, due to business closures, remain officially employed but have not worked for much of the last year. They also remain at greater risk of unemployment when normal life resumes, as not all employers will be in a position to reopen shuttered businesses. And even for those who have continued working since March 2020, average working hours have decreased in line with an inevitable damping down of economic activity induced by lockdowns.

Truer picture

So what metrics should we use to get a truer picture? Eurofound has looked in detail at three measures in the EU Labour Force Survey quarterly data:

- the decline in headcount employment,
- the share of employees indicating not having worked any hours in the reference week in Q2 2020 and
- the decline in average weekly working hours of those who did indicate having been working.

According to the first measure, we see already that EU27 employment was around 6 million lower (just over 3 per cent) in Q2 2020 than would have been anticipated, based on trend growth. In the first flush of the pandemic—just one quarter—as many jobs were knocked out as the global financial crisis did for over two years.

The second and third measures capture shifts on the intensive margin—the labour inputs of those who remain employed. The second measure is a proxy for furloughed workers—those whose jobs

were ‘put on ice’ as a result of lockdowns and where the state intervened to support income via pandemic unemployment benefit, temporary lay-off or short-time working schemes. And it is here that the most dramatic impacts of the crisis during the first wave of Covid-19 are revealed.

The customary share of EU workers not working in any week in Q2 2019—due to annual leave, sickness and so on—was around 7 per cent. This more than doubled to 17 per cent during Q2 2020: one in six workers were not working in that second quarter. Those who were working on average one hour less per week.

The sector-specific impacts of these shortfalls were very unevenly spread, as the table illustrates.

Sectors most affected by crisis			
	Q2 2019–Q2 2020	Q2 2019–Q2 2020	Q2 2020
	Headcount change (%)	Working hours change (hours per week)	Furloughed worker share (%)
Accommodation	-22.9	-5.4	50.9
Food and beverage service activities	-17.9	-2.9	47.4
Gambling and betting activities	-10.5	-1.3	49.3
Sports activities and amusement and recreation	-5.4	-2.2	42.6
Air transport	-9.3	-6.8	44.8
Travel agency, tour operator reservation ...	-19.9	-7.2	39.5
Other personal service activities	6.6	-1.7	35.3
Manufacture of leather and related products	-9.2	-0.7	31.3
Creative, arts and entertainment activities	-7.0	-3.6	34.4
Manufacture of textiles	-1.3	-2.3	24.8

Sectors least affected by crisis			
	Q2 2019–Q2 2020	Q2 2019–Q2 2020	Q2 2020
	Headcount change (%)	Working hours change (hours per week)	Furloughed worker share (%)
Telecommunications	20.6	-0.5	4.4
Computer programming, consultancy ...	18.5	-0.4	1.1
Insurance, reinsurance and pension funding	17.5	-0.8	2.8
Manufacture of basic pharmaceutical products	15.1	-0.2	2.3
Programming and broadcasting activities	12.5	-1.3	3.7
Information service activities	11.7	0.1	1.1

All sectors	-2.4	-0.9	17.0
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Sectors most and least affected by the Covid-19 crisis: EU27, Q2 2019 – Q2 2020 (EU Labour Force Survey)

Accommodation, which includes hotels and other holiday accommodation, has been most affected by declines in labour inputs during

the crisis: employment contracted in the sector by nearly a quarter in the 12 months to Q2 2020. Just over half of the remaining workers were on furlough in a given week during the quarter, and those who continued to work worked on average 5.4 hours fewer than customarily. Taken together, these data imply around a two-thirds reduction in paid work hours.

More broadly, hospitality, travel and sports or leisure-related activities—all heavily reliant on physical proximity—suffered the biggest contractions in hours worked and employment. And while the most important factor in this contraction overall was the furloughing of workers, job loss was clearly important in accommodation, food and beverages and travel agencies. In these sectors, extensive recourse to furloughing may have saved some vulnerable jobs but not all—around one in five jobs disappeared between Q2 2019 and Q2 2020.

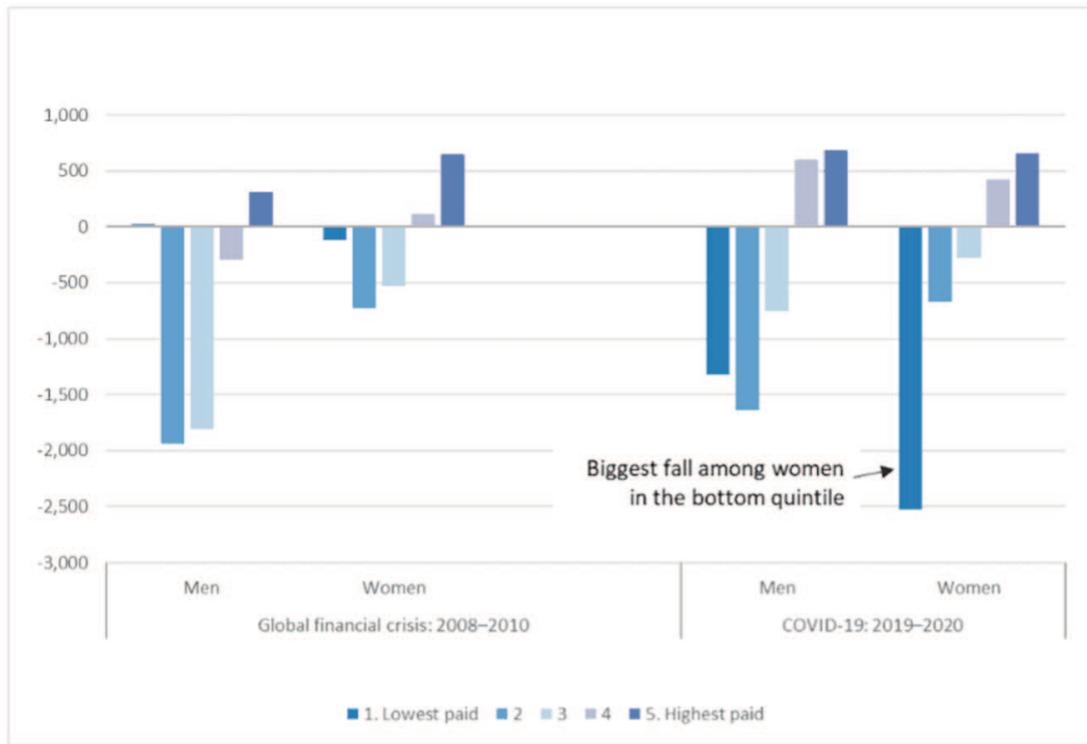
More knowledge-intensive service sectors were, though, less affected by the pandemic than the person-to-person sectors. There was robust headcount expansion and less recourse to furloughing in telecommunications, computer programming and consultancy, broadcasting and information-service activities. Employment resilience was supported by the ‘teleworkability’ of much work in these sectors.

Quite distinctive

The global financial crisis of 2008-10 provides an interesting comparison. Then too, well-paid work was comparatively sheltered from the worst effects of recession: employment continued to grow in the jobs that constitute the best-paid 20 per cent of employment, with in both periods more than one million net new jobs created (see figure).

Net employment losses have proved, however, quite distinctive. During the global financial crisis, the sharpest losses were in the middle of the job-wage distribution, with the lowest-paid jobs rela-

tively unaffected. But during the Covid-19 pandemic, employment falls have been sharpest in low-paid jobs.



Comparing the global financial crisis and the first phase of the Covid-19 crisis: employment shifts (000s), by gender and job-wage quintile (EU Labour Force Survey, Structure of Earnings Survey)

The differential sectoral impacts of the two crises go a long way to explain this. The global financial crisis affected first and foremost manufacturing and construction—male-dominated, mid-paid sectors. As we have seen, the pandemic has primarily affected service sectors involving high social contact, many of which employ more women than men and where average pay tends to be low. This is reflected in the right-hand panel, in the sharp contraction of bottom-quintile employment for women.

In summary, while the global financial crisis triggered a ‘mancession’, with two male jobs lost for every female, the Covid-19 crisis has been more balanced in its employment loss in terms of gender—but

this has been felt most sharply by women working in low-paid service sectors.

Higher-paid service workers have fared much better across all labour-market outcomes. The shelter of telework has been an important dimension of this resilience but access to this shelter is very much task-dependent.

Computer-facing, knowledge-based work can shift into the home but much in-person service work is still difficult to perform at a distance or virtually. One divide made stark during the crisis—but likely to persist beyond it—is that between ‘remotes’, whose work lends itself to telework, and the remainder, including many ‘essentials’, for whom telework is largely not an option.

JOHN HURLEY IS a senior research manager in the employment unit at Eurofound, where he has authored or co-authored more than 20 reports. His main research interests are in comparative labour-market analysis, restructuring and the changing world of work.

THREE

THE IMPERATIVE OF A GENDER-
SENSITIVE RECOVERY

JULIANE BIR AND ALINE BRÜSER

If anyone believed that gender equality was close to being achieved, the pandemic has brutally laid bare the systemic inequalities built into numerous aspects of women's lives—from pay, employment and work-life balance to safety at work and in the home. Hard-won gains of recent decades are under threat, due in part to a creeping backlash against women's rights which was already under way in some countries.

Women have suffered disproportionately during the crisis, due to longstanding failures to tackle gender discrimination and create a fairer social and economic environment for both women and men. The paradigm guiding our economies for the past four decades has led to a crisis of insecurity, hitting women hardest and threatening to reimpose the gender stereotypes of the 1950s.

Grossly undervalued

Covid-19 has demonstrated how vital care work is for society and the economy. Yet this remains grossly undervalued and the burden—in the public and private spheres—still falls mainly on women.

Women make up 76 per cent of the 49 million care workers in the EU, without taking account of the many undeclared domestic carers. Although both female and male healthcare workers are exposed to the virus, women make up a higher share (72 per cent) of those infected globally. Healthcare workers have faced long working hours, leading to problems reconciling work and family life and generating more stress, anxiety and depression.

Carers fill some of the most undervalued, under-paid and precarious jobs in the EU. More than half the personal carers in health services are among the 30 per cent lowest-paid workers. Domestic helpers, often coming from migrant backgrounds, tend to be irregularly employed with low wages (82 per cent are among the 20 per cent lowest paid) and poor working conditions, and are vulnerable to violence and harassment.

This is the product of inadequate funding for public services—including health and social care—with women forced into part-time or insecure jobs as the only way to combine work with care for their families.

More than 30 per cent of women in the EU work part-time and they occupy a large share of jobs in the informal economy, generally with fewer labour rights as well as less health protection and other fundamental benefits. They are much more likely to take time off to care for children and relatives. During lockdown, with school and office closures, women have been the ones juggling childcare, home-schooling and teleworking, often at the expense of their own physical and mental health.

Over the last year, in working families with children under 12, women have spent on average 62 hours a week on childcare and 23 hours on housework, compared with 36 and 15 hours respectively for men. Eurofound reported that 29 per cent of women found it hard to concentrate on their jobs because of care duties, as against 16 per cent of men.

There is a direct link between the unequal division of unpaid

care in households and gender inequalities in the labour market. Dealing with the bulk of unpaid care work, including its mental burden, hinders women's access to, and ability to remain in, work. In most countries where unpaid care is shared more equally between women and men, women have higher employment rates and gender pay gaps are lower.

Fewer rights

The pandemic has affected women not just as carers but across a wide range of sectors. Altogether, about 84 per cent of working women aged 15-64 are employed in services, including retail, hospitality and tourism, which have been hardest hit by lockdown and face serious job losses. The pandemic has particularly affected sectors where, as a result of gender segregation, more women are employed. For example, women make up 82 per cent of all supermarket cashiers (see bar chart), who suffer high exposure to contact with the virus.



Sales roles by gender (%) (Eurostat, Labour Force Survey)

Another alarming consequence of the pandemic has been an increase in gender-based violence, specifically domestic violence targeting women and girls. About 50 women die as a result of

domestic violence every week in the EU and this has increased during lockdown. Around the world, some 243 million women and girls have suffered sexual or physical violence at the hands of a partner or family member in the last 12 months. In France alone, reported incidence of domestic violence has increased by 30 per cent since March 2020, and the United Nations warns of a worsening situation if lockdowns continue.

Some countries claim to have put in place additional measures to counter gender-based violence during the pandemic. But others have used the cover of Covid-19 to launch attacks on women's rights.

In Poland, a highly-contested new law bans abortion in virtually all circumstances. The right-wing government is moving close to pulling out of the Council of Europe Istanbul convention against violence against women, in favour of a putative alternative treaty banning abortion and denying the human rights of LGBTIQ individuals. The EU, and six of its member states, have yet to ratify the convention, while Turkey, a Council of Europe member, has recently announced its withdrawal.

Employers, legislators and law-enforcement bodies must urgently step up their efforts to prevent violence and harassment at work, as they are not doing enough. In a survey of European women trade union leaders, only 16 per cent said that employers had updated their policies to combat online harassment associated with telework. Only 17 per cent believed their country's laws to tackle violence and harassment at work, including online, were being adequately enforced. The European Trade Union Confederation is calling on all member states urgently to ratify the International Labour Organization's Convention 190 on violence and harassment.

Broken model

The ETUC is pressing the EU to take urgent steps to stop the erosion of women's rights, prevent a return to the broken model of the

past and ensure that post-pandemic Europe learns the lessons of earlier mistakes. Europe needs a gender-sensitive recovery strategy, which recognises the pandemic's specific toll on women and takes action to combat longstanding inequalities. The ETUC has put forward a comprehensive set of measures to start this process.

Women workers must enjoy the pay, conditions and status they deserve. Covid-19 cannot be allowed to leave a legacy of less-equal pay, particularly as the majority of essential and front-line workers are women. It cannot be acceptable to refer to these workers as 'low-skilled': the vital role they have played during the pandemic, for enterprises, society and the economy, calls for a systematic re-evaluation of their pay, so that their true contribution is fully valued.

If properly amended, the European Commission's proposal for a directive on equal pay for equal work or work of equal value and pay transparency can be a much-needed game-changer for women workers, allowing for a revaluation of female-dominated jobs, in addition to properly enforced rules on pay transparency. It is only through empowering trade unions and supporting collective bargaining that equal pay will become a reality: eradicating the gender pay gap cannot be placed on the shoulders of individual women workers.

The directive on work-life balance must be fully implemented across Europe—with the involvement of trade unions—including good quality childcare available to all parents and paid time-off for family care. It must be seen as a baseline for improving women workers' rights, particularly in terms of paid leave and rights to request flexible working arrangements.

There must be EU-wide rules on teleworking that offer workers a choice, and guarantee equal treatment as well as reimbursement for additional costs, health and safety insurance and support, and a genuine right to disconnect.

Finally, the ETUC will keep up the pressure for the EU to take a firm stand on women's rights, by urgently ratifying the Istanbul convention and urging all member states to do the same. This must be

just the start of a major shift in attitudes, to end the daily acts of violence against women and girls and create a truly equal society.

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FOUR
CREATING A GENDER-EQUAL
RECOVERY

LISA PELLING AND LINN BROLIN

Impacts of crises are never gender-neutral, and the pandemic is no exception. Women are over-represented in the sectors hardest hit by the spread of the coronavirus, such as food service, retail and entertainment, and many have been forced to leave their paid jobs due to the increased pressure of unpaid care work. Unpaid care is notoriously unequally shared between men and women and, particularly where schools and preschools have been closed, many women have had to give up their paid occupation to fulfil the care needs of their families.

Measures to prevent the spread of the virus have thus disproportionately affected women's employment opportunities and incomes. The general economic downturn caused by the pandemic, whose effects we are only beginning to feel, will also have more dire consequences for women than for men, as women already earned less and had fewer savings.

The crisis has widened the gender gap and will continue to do so, unless action is taken. Applying a gender lens to the economic impacts of the pandemic, what are the progressive proposals on how to mitigate the economic consequences of the crisis and fuel a gender-

equal recovery? Which measures can help women and thus the economies to recover faster?

More precarious

The pandemic has caused the largest drop in working hours in the EU-27 since 2006. In comparison with previous economic crises, it has hit highly female-dominated sectors. In addition, women tend to have more precarious positions in the labour market. For instance, even though women in the European Union are on average more highly educated than men, one third of employed women still have part-time contracts, compared with 8.2 per cent of their male counterparts.

Women have been the first to leave the labour market, and they might be the last to rejoin it. At least this is what troubling evidence from last year suggests: according to the European Institute for Gender Equality (EIGE), men gained more than twice as many jobs as women during the summer of 2020, when employment started to revive after the first wave of the pandemic.

It is imperative that the recovery works as well for women as for men—not least because the gender gap causes a huge economic loss. By improving equality between men and women in the EU, the EIGE contends, it would be possible to create 10.5 million new jobs by 2050, of which 70 per cent would be taken up by women. This would increase EU gross domestic product *per capita* by from 6.1 to 9.6 per cent.

According to EIGE data, before the pandemic women in the EU dedicated 18.4 hours per week to cooking and housework, compared with 12.1 hours for men. And according to the European Women's Lobby, domestic care responsibilities were keeping 7.7 million women out of the labour market, compared with 450,000 men—leading to an estimated loss of €370 billion per year in Europe.

Unpaid workload

Now, across Europe, lockdowns and closures of workplaces and schools have increased the unpaid workload for women significantly. For instance, mothers have to a larger extent than fathers been involved in helping their children with distance learning. These additional care responsibilities for women have reduced their career progression and pay.

In Sweden, the government followed the advice of the Swedish Public Health Agency, which was adamant that elementary schools and schools for young people with disabilities should stay open during the pandemic. This did not only benefit socio-economically vulnerable children and children with other disadvantages but it also greatly benefited women, who could keep their paid jobs to a larger extent than elsewhere in Europe. Nevertheless, many women still lost income and career opportunities because they had to care disproportionately for their children when they had to quarantine or were sick, according to the Swedish Gender Equality Agency.

While many women were forced to work less or leave the labour market altogether during the pandemic—because of working in sectors hit by the downturn, increased care work or both—some women have had to work more than ever before. In all countries, women have risked their health and lives on the Covid-19 frontline, in jobs that expose workers to the virus, as domestic cleaners (95 per cent of whom are women), childcare workers (93 per cent) and cashiers (82 per cent).

Care workers

Healthcare and long-term-care workers have been particularly exposed. Of the 49 million care workers in the EU, around 76 per cent are women.

A recently released report with findings from the eldercare sector and care-worker trade unions in nine European countries describes

how the pandemic hit an underfinanced and understaffed sector. Years of austerity policies and neoliberal ‘new public management’ have led to more precarious working conditions and lower salaries in care.

Already before the pandemic, chronic understaffing had left the sector struggling to fill vacancies and even hold on to staff. The work is often too physically and mentally exhausting to be manageable as full-time employment. With the pandemic, the workload went beyond the bearable. The mantra has been ‘stay home if you are sick’ but low salaries and lack of proper sick pay have forced many care workers to go to work even though they have had symptoms. In Sweden, care homes with Covid-19 outbreaks were found to have a higher proportion of staff paid by the hour.

During the pandemic, some women have had to quit their jobs, while others have had to work harder than ever. But the post-pandemic progressive challenge is the same for both: we must care more about care.

Both men and women must be able to combine having a career and a family, having a job and having kids, receiving a pay cheque and taking responsibility for the care needs of loved ones. Today, the unequally-shared care burden forces women to accept precarious working conditions, not least working part-time.

The professional care sector has to expand, raising the staff complement throughout—from childcare to long-term care for older people. If this does not happen, and if expansion does not keep up with the rapidly increasing care needs of ageing European societies, more and more women will be locked out of the labour market—fully or part-time—because of the pressure of unpaid care work.

But the new jobs which need to be created in care have to be jobs with decent pay and fair conditions. Today, the sector is dominated by low-paid, precarious part-time employment. This must end.

Decisive difference

From Portugal to Finland, trade union activists have made a decisive difference during the pandemic, improving working conditions and protecting care workers, as well as the elderly. They have fought to ensure care workers have had adequate personal protective equipment, the right to sick pay and access to testing. Beyond dealing with the emergency, and fighting for the urgent needs of their members, trade unions have also campaigned for transformation of the care sector—into one that can offer its workers decent working conditions, adequate pay and respect.

In Sweden, it was a victory for the trade union *Kommunal* when temporary contracts were extended to at least 14 days of duration, so that employees on short-term contracts would be able to get sick pay. In the United Kingdom too, the right to sick pay became an important demand for trade unions. In Scotland, one crucial victory for unions early in the pandemic was agreement with the Scottish government and local-authority employers that the Scottish Living Wage would be paid to social-care workers immediately, substantially raising salaries.

In Spain, one of the key demands of the trade union movement has been to increase mandatory staffing levels by putting in place detailed requirements for each profession. In the UK, trade unions have campaigned to limit private-sector involvement in the eldercare sector. Several measures have been proposed, such as stricter regulation of private actors, ending contracts for failing services and more transparency. Trade unions have also proposed an ‘insourcing first policy’, as an essential step towards ending the for-profit funding model.

In Germany, the trade union federation *Ver.di* argues that the EU cannot afford to have underfunded and poorly equipped national health- and social-care systems. It should therefore support and coordinate national systems, to ensure equal access to quality care for all Europeans—not least by establishing minimum standards.

With the spotlight finally on the care sector—so essential for women’s economic emancipation and indeed for a gender-equal society—care workers and their trade unions have shown things can change. As Rebeca Solnit has so eloquently pointed out, one can look at this time of crisis ‘as akin to a spring thaw: it’s as if the pack ice has broken up, the water starts flowing again and boats can move through places they could not during winter’.

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FIVE

WORK-LIFE CONFLICT IN EUROPE

FRANCES MCGINNITY

The Covid-19 pandemic has led us to rethink radically how we live, work and combine the two. But even before the pandemic work-life conflict had come to be a key concern in European societies, in the context of the elevated employment of women, the changing nature of work, population ageing and anxieties in some quarters over low fertility.

Under the traditional, ‘male breadwinner’ model, the competing demands of work and family were managed by a division of labour between the sexes, whereby men were primarily responsible for paid work, women for caring. Increasingly, however, European citizens have to combine caring and employment roles, with consequences for work-family tension.

Meeting demands

The central idea in work-life conflict is that meeting demands in one domain can make it difficult to meet demands in the other. Research on the work-family interface has been dominated by the idea that time and energy are not transferable. ‘Time-based conflict’ then arises

when time spent on responsibilities associated with one role is not available for the other. ‘Strain-based conflict’ occurs when pressures arising in one domain make it difficult to fulfil other obligations.

Work-life conflict potentially has many negative effects. There can be impacts on personal effectiveness, physical and mental health, the ability to engage in paid work at all, intimate-partner and child-parent relationships and even child development.

A ‘demands-resources’ perspective frames much of the research. This distinguishes demands, or role requirements—such as working hours, work pressure and responsibility—and resources, the assets used to cope with these demands. People differ in their resources: some may enjoy a challenging job with long hours; others find that very stressful. For this reason, evaluating work-life conflict typically depends on an individual’s own assessment.

Work-life conflict is closely linked to paid work demands in terms of working time, intensity and scheduling of work. Long working hours are one of the factors most strongly and consistently linked with greater work-life conflict in Europe; part-time work is consistently associated with less. Working unsocial hours (evenings, nights, weekends) is also often associated with more work-life conflict.

Working-time flexibility

Forms of working-time flexibility that benefit workers, such as ‘flexitime’, allow workers to vary working hours to facilitate family demands, such as dropping off children to school, and usually reduce work-life conflict experienced. By contrast, working-time flexibility that benefits employers, such as working overtime at short notice, typically increases work-life conflict, particularly if it happens often or there is a sense that the worker is always ‘on call’. People typically value jobs that are regular but somewhat flexible.

Yet other demands from work also play a role in work-life conflict. If a job is very stressful and emotionally demanding, this may leave an individual with diminished resources to participate in

their personal life. Research has consistently found that work pressure is closely linked to work-life conflict, with those in very demanding jobs often experiencing spillovers to their home life.

In terms of resources, having supportive work colleagues or a supportive boss is, not surprisingly, usually associated with reduced conflict. One might expect that having greater control over the tasks, pace and timing of work would help alleviate conflict but research findings are somewhat ambiguous: job control often does not reduce conflict for individuals, which may suggest workers are not using their control to facilitate work-life balance.

Caring responsibilities

Home demands, such as having caring responsibilities for young children or dependent adults, increase work-life conflict, particularly for women. How domestic work (caring or housework) is shared within the household can also influence work-life conflict, as does how well favourable gender-role attitudes are matched by behaviour. Couples with egalitarian attitudes who have egalitarian sharing arrangements tend to experience lower work-life conflict than other groups.

Comparing countries, some authors find that 'family-friendly' policies, such as support for childcare, tend to alleviate work-life conflict for families. Others find however that in countries where family-friendly policies lead to high labour-market participation by women this is associated with greater interference in domestic life, though women gain financially. Labour-market policies which set upper limits on working time tend to apply to workers generally and this indirectly reduces work-life conflict.

At European level, the Working Time Directive (2003) plays an important role in limiting long working hours. The Work-life Balance Directive (2019) seeks to reduce barriers to women's labour-market participation, by more flexible work arrangements and family leave and efforts to ensure a more equal division of care.

Creative arrangements

As European policy-makers try to increase the proportion of the population in paid work, particularly women, to enhance competitiveness and reduce poverty, work-life conflict is important to consider. The pandemic has highlighted how much we rely on caring—paid and unpaid—for the effective functioning of society. Creative ways to combine social and individual investment in child-rearing and adult care with skills accumulation and sustained participation in paid work over the life course need to be considered.

Many European societies, and the individuals who live in them, are struggling to find employment arrangements that are economically viable and beneficial to men, women and children. If the aim is to promote work-family balance and gender equality, policy measures need to be applied to fathers as well as mothers, since paid employment and unpaid domestic labour remain unequally distributed between men and women throughout Europe.

Evidence from the last recession suggested family financial pressures and firm difficulties exacerbated work-family conflict for those most affected but the pandemic has changed work in a rather different way. Up to half of workers across the European Union are currently working from home. Homeworking, for those who can, may offer new opportunities for combining work and home life—provided workers have the ‘right to disconnect’ and long working hours do not become the norm.

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SIX

WHAT SHOULD A FEMALE CAREER
AND FAMILY STRUCTURE POST-
PANDEMIC LOOK LIKE?

AGNIESZKA PIASNA

The pandemic has exposed the underlying and deeply-rooted inequalities between genders which have persisted despite decades-long legislative efforts and initiatives. It has not had a levelling effect but rather exacerbated gaps and made them plainly visible. A return to ‘business as usual’ might be awaited but is this the best to which we can aspire?

The coronavirus crisis has shown that radical change is possible—and at a much faster pace than anyone would have anticipated a year ago. Many assumptions about what is feasible were quickly overturned.

Yet optimism as to the impact on gender equality is scarce. Almost one in five adults surveyed by Ipsos earlier this year, in Poland, Spain and Italy, expected a *setback* in gender equality after the pandemic and believed women would become less equal than men in their countries. Only 3-4 per cent expected an improvement in women’s position.

This shows an urgent need to rethink career and household structures for women—and men—in light of the crisis, so that the pessimistic scenarios can still be avoided.

Scarred prospects

Women's over-representation in non-standard forms of work affects their employment prospects in the short run. Temporary and part-time employment shrank more than regular jobs when lockdown measures were introduced, serving as a buffer in particular in sectors faced otherwise with a halt to business activity.

Persisting uncertainty, fuelled by the ensuing waves of the pandemic which have delayed and reversed openings, might deter employers from offering permanent contracts to new hires. Women then risk finding their way back to the labour market through only contingent employment, scarring their employment and earnings prospects.

Sectoral gender segregation is yet another obstacle to women's post-pandemic employment prospects. Feminised sectors of the labour market, such as health and care services, may have gained unprecedented visibility and appreciation. One-off bonuses and clapping are however insufficient in the long run to address the structural undervaluation of work in these sectors and to encourage men to take up these jobs.

Bearing the brunt

The feminisation of health and care services reinforces the association of women with caring roles beyond the labour market. This became evident as women bore the brunt of additional care and housework burdens inflicted by lockdowns. Changes in work organisation will hence still affect women differently than men, especially in countries where traditional gender norms prevail.

One example is teleworking. Women now work from home more often than men—yet prefer to work away from it. In a Kantar survey in Poland this year, 44 per cent of women reported working better in the workplace away from home, compared with 32 per cent of men.

For new models of work organisation to perform just as well for

all, equality in shouldering additional unpaid work is a prerequisite. Otherwise, the risk is that a new form of gender segregation emerges, with men returning to the office and women remaining home-based workers—conveniently performing paid and unpaid work from the same location.

Men's involvement

A significant increase in men's involvement in childcare and domestic work during confinement has the potential to challenge social norms and the gendered division of labour. Periods of intense involvement of fathers in unpaid care and housework in general lead to their long-term engagement and a more egalitarian distribution of caring responsibilities. But the lockdowns will likely be too short—even if we might feel they have lasted a decade already—to achieve an enduring effect.

After the pandemic, this should be achieved with appropriate parental-leave policies. These considerations should then inform the design of measures at national level implementing the work-life balance directive.

Another key consideration is the gender pay gap. When couples are faced with an increase in domestic and care work, the lower earner—in most cases the woman—is more likely to put employment on hold.

Reduction in the gender pay gap and blurring of the division of labour in the family are then intrinsically connected objectives. The proposed EU directive to strengthen the application of the principle of equal pay must be bold enough to be a game-changer in this regard.

Pervasive association

The pervasive association of women with caring roles can become internalised and hold women back in their career progression. A

recent survey in Poland found that most women in professional and managerial occupations considered their role in the organisation as supportive (61 per cent) and helping (37 per cent), rather than that of a leader (27 per cent).

If models of arranging work remain unchanged, this places a big question mark against the prospects for women's employment. Female workers should not be expected to adapt to forms of work organisation which for 65 per cent of them are incompatible with other life obligations. It is time to make working norms, especially those related to working time, compatible with a gender-equal society. This will be an important trigger towards an equal division of unpaid work.

When more than one in three women (39 per cent) in high-skilled occupations feel they would need to sacrifice their personal and family life to progress in their careers, it is clear the current model is deficient: the workplace is in large measure responsible for the reproduction of gender norms and the gendered division of roles.

The solution is not for employers to make special allowances specifically for working mothers, or women with other care obligations, as this would only push them further into the stereotypical role of main carers—their career coming second, lacking an equal footing with men in the labour market. The aim should be that all workers, irrespective of gender, engage in care or other unpaid work equally. Employers should thus design workplaces which are in general accommodating to the idea that all workers—not just the female proportion—also perform reproductive labour and have other personal obligations.

Rather pessimistic

In periods of increased unemployment and very clear sectoral demarcation of job losses, acceptance of poor work and employment conditions is increased by lack of alternatives. This holds true especially for vulnerable workers, including women—who, as recent studies

show, are indeed rather pessimistic about their employment prospects after the pandemic.

In the coming months, the European Commission will be assessing national development plans submitted by the member states in the framework of the Next Generation EU funds. The ambition should be to create growth that is not only environmentally but also socially sustainable—with job quality and worker rights at the heart of the assessment.

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SEVEN

COVID-19, WOMEN AND THE
ECONOMY—IT'S NOT ALL
ABOUT CARE

BRIGITTE YOUNG

The Covid-19 crisis catapulted women health and care workers to a new visibility. During the first general lockdown in March 2020, women workers were serenaded from European balconies for providing 'essential' economic services. In the health arena in particular, the gender imbalance has become acutely visible—globally, women account for about 70 per cent of doctors, nurses and care workers.

The euphoria of seeing women centre-stage soon however crashed with reality. The contradiction between serenading 'essential' women workers and subsequent silencing of their inclusion is particularly evident in the focus of the European Union's recovery package, 'Next Generation EU'. A gender impact assessment stresses that the economic stimuli envisaged are geared mainly to industries with high male employment—such as the digital, energy, agriculture, construction and transport sectors—while neglecting those with a high female ratio: care and health, education and social work, culture and recreation. Women make up 93 per cent of childcare workers and teachers' assistants, 86 per cent of personal care workers and

health-service employees, and 95 per cent of domestic cleaners and helpers in the EU.

The battle to include gender objectives and targets in the Covid-19 recovery plans and task forces is not restricted to the EU. Judging from the many webinars organised since the outbreak by global, national and regional organisations, think-tanks and academic institutions, the silencing of the gender gaps in care, wages and position is a global phenomenon. It has been labelled a re-traditionalisation of women, setting them back in their career goals and their subsequent pension entitlements.

Reducing women to care

Yet, while this feminist engagement on behalf of the care economy is laudable, the focus on the social consequences of the pandemic is blind in its neglect of how macroeconomics fundamentally influences the productive capacity of the economy. Much of the narrative of feminist economists and sociologists is located at the micro-level of the care economy—centring on how the decline of public goods has been associated with the shifting of the burden to female household members, contributing more unpaid labour or poorly-paid care work in public and private facilities.

Framing the issue of care as women's work however reduces women to the care sector and makes it difficult to change the wider discourse. Presenting panels mainly of women for female audiences unwittingly consolidates the impression that care remains women's work.

On a broader canvas, attending only to the micro-level fails to link the everyday gender challenges of the care economy to the changing landscape of global macroeconomics. Yet this is essential to understand how the shift to a finance-dominated capitalism has created greater wealth inequalities, which tend to affect women more than men. Gender is not only a micro-level variable but an endoge-

nous macroeconomic variable, with an impact on aggregate demand and economic stability.

The macro-level of the economy has both demand and supply components. High female participation rates mean women are integrated into the economy, have access to bank credits to purchase goods and services and thus contribute to economic growth. In contrast, gender inequality may contribute to a lack of demand for credit by women, leading to aggregate low saving rates, low investment rates and also lower aggregate demand. Similarly, if people do not have the required level of education or skills, companies may find that they are short of the human resources needed to manufacture the material and immaterial goods and services to attain desired outcomes. Gender relationships thus have an impact on the economy, and economic processes at the same time shape gender relations through feedback loops.

Men as the norm

That traditional macroeconomists neglect the care sector is nothing new. It starts with their prerogative to select data for statistical accounting, such as gross national product, in which the contribution of care work and household production is ignored or at best undervalued. If selection of data is unthinkingly based on the experience of men, as the norm or default, gender-blind outcomes are the consequence. Such inadequate metrics have led to wrong policies and widened the gender gap.

Feminist research needs to deconstruct the 'black box' of global finance. This is essential to understand the transformation from 'boring banking' to a largely-privatised, finance-dominated capitalism which not only resulted in the financial crash of 2007 but also widened the wealth gap between and among nations, affecting different classes of women and men and ethnic minorities in dissimilar ways.

Since the financial turmoil, central banks have adopted uncon-

ventional monetary policy, intervening with large infusions of liquidity to ensure economic growth and financial stability. One of the ‘bazookas’—itself a tellingly male metaphor—in their toolbox is ‘quantitative easing’. QE is used when the interest rate is close to zero and the normal instruments of monetary policy are no longer effective. Buying government and commercial bonds on the secondary markets adds new money to the economy, providing banks with sufficient liquidity to lend to actors in the real economy.

An unintended side-effect of QE is a rise in asset prices, which have skyrocketed, and this may have contributed to higher wealth inequality. Given the uneven distribution of assets within and between private households and with higher-income households accumulating a disproportionate share of total assets, unconventional monetary policy also has distributional effects. If we assume that the rich own more assets than the poor, unconventional monetary policy benefits the wealthiest quintile, containing on average more men, at the expense of the poorer strata of society, with on average more women.

These impacts of QE should be of concern not only to central banks but also to feminists, since money is one of the most important transmission channels between monetary policy and household wealth.

Holistic and systemic

To resolve the shortcomings in traditional macroeconomics and feminist studies, academics with a more holistic and systemic view of the global economy—such as Mariana Mazzucato, Maja Göpel, Kate Raworth and Ann Pettifor—suggest analysing the care economy in the larger context of financialisation and the monopolistic extraction of value at the expense of value creation in the real economy.

A feminist lens needs to be applied to the transmission channels which have a structural effect on the balance sheets of financial intermediaries and on the company and private household sector, via

changes in the supply of and demand for credit finance and asset acquisition. At the same time, it is important to analyse other transmission channels of unconventional monetary policy, which may decrease the unemployment rate, thus increasing the labour income of the poorer social segments, or (taking into account low interest rates) make home-buying more affordable.

Feminists need to design a concrete but ambitious strategy for social and economic wellbeing and suggest how the large disparities which have emerged in the course of unconventional monetary policy can be reduced. Such a mission-oriented strategy could be linked to the Sustainable Development Goals and the ideal of a social-economy Europe, to bring real change via the post-pandemic recovery—rather than accepting a symbolic narrative of ‘gender-washing’.

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EIGHT

TAXING BETTER TO CREATE MORE
CARING—AND FEMINIST—SOCIETIES

MAGDALENA SEPÚLVEDA

In the United States, it was the vice-president, Kamala Harris, who sounded the alarm—pointing out that 2.5 million American women had left the workforce since the beginning of the pandemic. ‘Our economy cannot fully recover unless women can participate fully. So I believe, I think we all believe, this is a national emergency,’ she hammered away in a video call with several women’s advocacy groups and lawmakers, calling for a national plan to address the situation.

The progress of Covid-19 vaccinations in the US gives hope for a rapid recovery of the economy. But a report from McKinsey Global found that women, comprising 43 per cent of the workforce, accounted for 56 per cent of pandemic-related job losses—women without college education and women of colour yet more disproportionately affected.

Harris’ *cri du coeur* should be extended to the whole world. Everywhere, there are women whom the pandemic has pushed out of the labour force. This will have a knock-on effect: while women live longer than men, the gender gap in security in retirement will only increase.

Larger burden

Even for those women still in the labour market, their situation has deteriorated. Social isolation has narrowed their options to escape contexts of domestic abuse. And most are now shouldering a much larger burden of unpaid domestic duties than men.

Lockdown has only added to household work, with women taking care of most virus prevention, looking after their families' health and juggling new safety and hygiene protocols. They have also taken on primary responsibility for homeschooling children, as well as caring for the sick and the elderly.

More than ever, the pandemic has made evident the unequal sharing of unpaid care and domestic work, and the lack of value and recognition attached to it. This constrains women's progress in education and training and hinders their access to, and advancement in, the labour market—and so to its economic opportunities and entrepreneurial activities—resulting in gaps in pay, social protection and pensions.

The prospects for the next generation are no more reassuring, as school closures have disrupted learning outcomes for 1.7 billion children worldwide, as well as their nutrition, health and safety. Save the Children warns that millions of girls are at risk of not being able to return to school after the pandemic. And there will be another scar—13 million more child marriages by 2030 than would have been the case without Covid-19.

This is the scourge of the pandemic: it is landing multiple blows on those least able to bear them, widening inequalities stemming from gender, class and ethnicity. As the world marks International Women's Day, this is neither acceptable nor inevitable.

Deplorable conditions

All over the world, populations have been forced to become aware of the vital importance of public services, such as universal healthcare,

childcare, adult social care, education and water and sanitation. Those who have been providing vital work during the pandemic are predominantly women but the working conditions of most of them are deplorable.

Women have been the first to pay the price of decades of budget cuts and privatisation of essential services. Governments urgently need to make immediate yet long-term corrections—to invest in public services, social protection and infrastructure, in pursuit of gender equality and women’s full enjoyment of their human rights.

All these much-needed measures obviously have a cost, so who will pay for them? ICRICT, a commission engaged in reforming the international tax system in a fair and equitable way, has offered an answer: it is time for those who have the most to pay the most.

As a recent Oxfam report shows, rich people are getting richer, despite the pandemic. The world’s 10 richest billionaires—all men, unsurprisingly—have seen their wealth skyrocket by half a trillion dollars since March 2020. That is more than enough to prevent anyone on the planet from falling into poverty because of the virus and to pay for a Covid-19 vaccine for all.

Turning point

This pandemic must mark a turning point in the taxation of the richest individuals. It is also a unique opportunity really to address corporate-tax dodging and put an end to corporate-tax competition.

We have a solution at hand, through the introduction of a minimum effective corporate-tax rate of 25 per cent worldwide. Any multinational that books its profits in a tax haven would therefore be taxed in its home country up to this minimum rate. This would reduce its interest in transferring its profits to these unscrupulous jurisdictions.

Utopian as of just a few weeks ago, this measure now seems possible. The new US administration has committed itself to ‘try to stop what has been a destructive, global race to the bottom on corporate

taxation’, as the US Treasury secretary, Janet Yellen, put it at her confirmation hearing.

Other countries must move in the same direction. An international reform to make multinationals and the richest pay their fair share of taxes requires a global agreement. It is essential that these negotiations take place in the most transparent and egalitarian way, ideally within the United Nations—the only legitimate forum for these exchanges.

Generating more revenues to invest in measures essential to ensure women’s rights and gender equality depends on progressive and fair tax systems. Today, more than ever, taxing the richest members of our societies will put us on the path to becoming more caring societies.

Which also means societies that put women’s rights at their core.

MAGDALENA SEPÚLVEDA IS executive director of the Global Initiative for Economic, Social and Cultural Rights and a member of the Independent Commission on International Corporate Tax Reform (ICRICT). From 2008 to 2014 she was United Nations rapporteur on extreme poverty and human rights.

NINE

WHY WE NEED GENDER-RESPONSIVE
CENTRAL BANKING

ANITA BHATIA

The coronavirus pandemic has hit women especially hard, particularly where they are most vulnerable: their incomes, health and safety. Women make up the majority of workers in many of the sectors of our economies that came to a standstill last year. Making matters worse for women, health systems have cut or delayed sexual and reproductive health services to streamline treatment for Covid-19. And lockdowns and curfews have coincided with a spike in domestic violence.

These problems foretell a protracted reduction in women's capacity to join the labour force, repay loans, post collateral or start businesses. Worse, these threats to national economies could become permanent, unless policy-makers act swiftly. That includes central banks, which have a number of tools for combating the pandemic's worst effects on women.

The problem, of course, is that central banks are notoriously male-dominated institutions. Historically, they have never made gender a priority in the design and execution of policies affecting monetary positions, bank regulation, deposit insurance or bond

issuance. Changing this pattern will require four shifts in the policy-making process.

Women in the room

First, we need gender-responsive stimulus packages. Governments responded to the crisis with fiscal and monetary packages meant to stabilise aggregate demand. These included tax cuts, loan guarantees, wage protections, discounted utility bills, suspension of social-security contributions and direct cash transfers. Central banks, for their part, expanded their balance sheets to unprecedented levels and at staggering speed, printing money to buy not just government bonds but also corporate financial assets. In many countries, particularly advanced economies, the overall response was massive, because it had to be.

But data gathered through the UN Women and UN Development Programme Covid-19 Global Gender Response Tracker show that only a handful of countries tailored their policies to account for women's specific needs. The result has been a slower recovery for everyone. As the world prepares for another wave of stimulus spending and investment in reconstruction, it is crucial that these interventions be designed not just with women in mind, but with women in the room.

Secondly, women need loans, and central banks have an important role to play in how credit is directed to specific sectors. Accordingly, it is important to ensure that financing makes it to sectors where the majority of women work. As more women lose or are displaced from jobs—even in the informal economy—banks will have to reassess and possibly reclassify the segments of their loan portfolios that cater to female borrowers.

These segments—spanning hospitality, food, retail, tourism, domestic services, garment and other industries where women form a majority of the labour force—are generally conceived to be 'lighter on collateral'. But before the pandemic they had been growing quickly

in emerging and developing economies, especially among local banks. That growth was driven as much by a commitment to equality as by the commercial potential of a previously ignored client cohort. If the recovery fails women, banks' profitability will suffer.

'Gender bonds'

Thirdly, governments need new sources of finance, because fiscal balances were decimated by the pandemic. Public debts have grown exponentially and will need to be rolled over in the next few years, with sovereigns competing for funding in international bond markets. Looking for an edge in that competition, many will resort to thematic bonds earmarked to address environmental and social-development issues. The demand for such securities is large and growing, now that more than 3,000 investment houses (with a combined \$100 trillion under management) have signed on to the UN-sponsored Principles of Responsible Investment. But while many private corporations and state-owned enterprises have issued 'gender bonds', no sovereign has yet done so. That must change, and when it does central banks should be a part of the process.

Finally, we need better forecasting. Central-bank models, and the policies that derive from them, may be biased and incomplete, because they are based on assumptions that ignore the realities of how households consume, save, invest, borrow and work. For example, most models treat female workforce participation as a binary choice between labour and leisure, rather than a trinary choice also comprising unpaid labour such as childcare.

Similarly, projections of growth—and thus of money demand and interest-rate transmission—are built on systems of national accounts that do not properly measure the care economy, a fast-growing but mostly non-market sector where women make up most of the workforce. The pandemic, which has led to an explosion of demand for care, has turned that weakness into a major gap.

To their credit, central banks have been quick to recognise the

challenges posed by climate change. Some are already arguing for solutions and leading initial reform efforts. But even though gender disparities are an equally systemic challenge, central banks have yet to forge similar partnerships with gender advocates. Such partnerships are urgently needed to inform the design and implementation of global and country-level reforms. The benefits—both for women and men—would be enormous.

ANITA BHATIA, deputy executive director of UN Women, is assistant secretary-general for resource management, UN system coordination, sustainability and partnerships.

TEN

GOOD NEWS FOR GENDER EQUALITY
AS WE EXIT THE COVID-19 CRISIS?

MARIA JEPSEN

All crises have a strongly gendered impact and none more so than the current pandemic, across a range of indicators. While the virus itself seems to take a greater toll on men than women when it comes to fatalities, women appear to have been worse affected in terms of labour-market impact.

As has been widely documented, due to the asymmetric impact of the pandemic on sectors and occupations as well as the different position of men and women in the labour market, more women than men have lost their jobs and are more likely to be among furloughed workers. Unsurprising probably, as they tend to be over-represented in the sectors and occupations that have been locked down. They are also more likely to be working remotely and constitute the majority of ‘frontline’ workers.

In addition, this most recent shock for women in the labour market has, to some extent, exacerbated inequalities that already existed *among* women. Many of the women laid off or furloughed are low-paid workers, while women at the higher end of the pay scale have tended to continue to work and been able to move their job to their home (contributing also thereby to the digital divide).

The closing of schools and childcare during the last year, alongside the centrality of the home for both work and private life, has highlighted the double burden of working and caring, particularly for women, in more extreme form. Survey data show that this burden, while borne by both genders, has had a much higher impact on women, by whom care is mostly shouldered. Last but certainly not least, the pandemic has further exposed the prevalence of domestic violence, which has seen an insidious increase as confinement restrictions continue to be imposed.

Government responses

The long-term impact of the crisis, however, will be determined not only by the difference in position between men and women in society—it will also be shaped by the type and effect of measures put in place in response. And governments have responded to this extraordinary crisis in an extraordinary manner.

While it is difficult to argue that the measures are gender-neutral or indeed instrumental in closing the various gender gaps, they do recognise atypical labour-market situations, the need for leave to care for children and the position of oft-forgotten groups in the labour market, such as domestic workers. Despite this, women, particularly those with children, are finding it difficult to make ends meet.

So while the pandemic is clearly having a strong and rather negative impact on women in a range of domains, it is also placing a welcome spotlight on the structural gender inequalities which remain in our societies. Issues such as low wages and difficult working conditions in health and social care are increasingly under the microscope, as these workers are recognised for the critical value they provide. The importance of well-functioning childcare has become more evident. And with school closures, sectoral lockdowns and teleworking, the care of children is being more equally distributed between men and women in some countries.

This growing momentum, alongside the greater awareness and

visibility of the gender inequalities inherent in our labour markets and society at large, could give rise to a platform from which potentially wide-ranging, sustainable and rapid change could take place.

Two scenarios

One can imagine two scenarios. In the first, gender equality will regress as women (mostly low-paid) find it very hard to re-enter the labour market, as sectors reopen in an asymmetric, modified and hesitant manner. Remote work will become a permanent feature and women will embrace it disproportionately, so as to continue to assume the lion's share of unpaid work—as a consequence, they will become invisible in the workplace and lose out on training and promotions. Budget constraints will bring a halt to social investment in child- and eldercare, and restrictive measures will be introduced with regard to income replacement.

One could however imagine another, more optimistic, scenario. Because the measures introduced during the pandemic have led to a realisation that many workers—mostly women and for very different reasons—are not adequately covered, there is a general reassessment of the welfare systems in place to cover citizens who fall between the cracks. This paves the way for a largely positive outlook, in which the pay and conditions of many frontline workers are indeed deemed inadequate, leading to structural improvements in both. Remote working does become a mainstay of working life for all, but with workplaces introducing measures to counteract potential negative impacts, enabling men and women better to share unpaid work.

Both scenarios are possible. Which emerges will largely depend on what steps are taken by policy-makers as we come out of the crisis. To promote a scenario with enhanced equality, gender-mainstreaming is imperative, so that recovery measures are sensitive to the particular situation of women in society. The Gender Equality Strategy provides an overarching framework to facilitate this, along-

side the ambitions of the European Pillar of Social Rights and Action Plan.

These initiatives should be used as an opportunity to ensure a scenario that works best for both women and men, as we head towards a ‘new normal’.

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