



The impact of COVID-19 labour market participation

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The pandemic has exposed deep-rooted labour market fragilities and structural inequalities (ILO-OECD 2020)

- Low-paid workers
- Women
- Migrant workers
- Self-employed
- Informal and fixed-term workers

KEY RISKS TO VULNERABLE WORKERS



Workers are stranded without means to support themselves



Increased vulnerability to human trafficking and modern slavery



Living and working conditions pose health risks



Women are on the frontlines and at increased risk of exploitation



Lower access to health care and sick leave



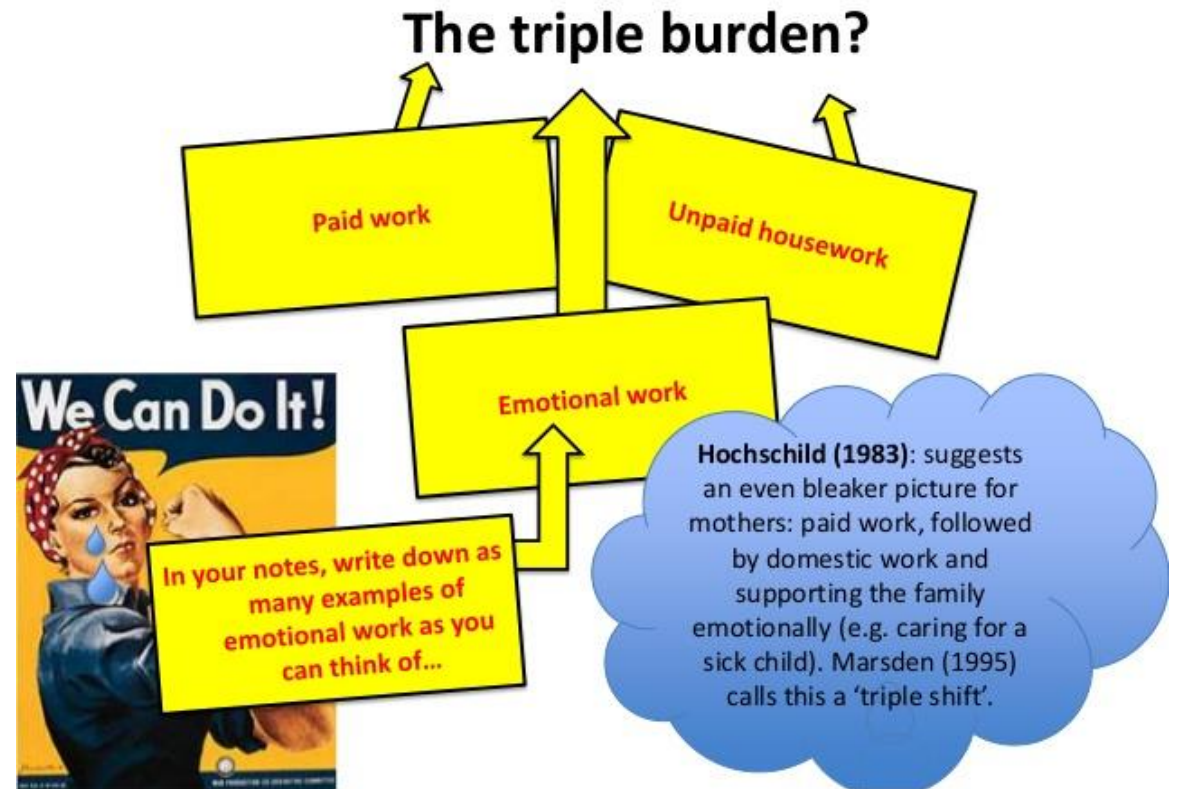
Xenophobia and discrimination leading to increased violence and exploitation



Lack of testing due to immigration status

Women have borne a disproportionate burden of the economic and social costs of the COVID-19 (ILO-OECD 2020)

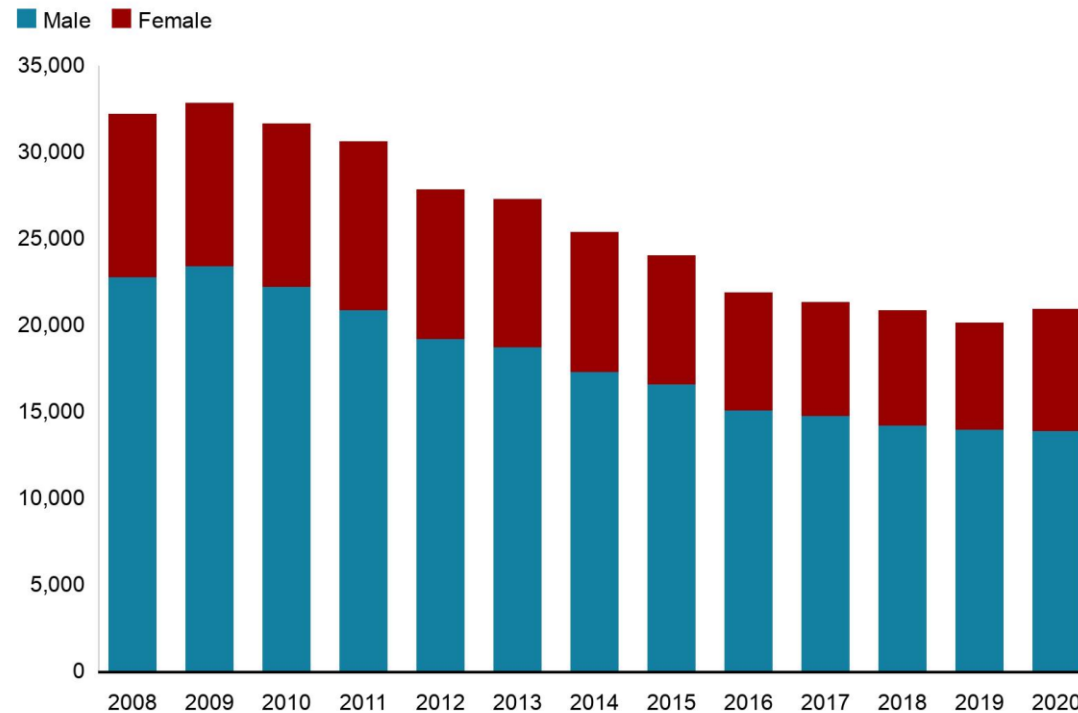
- Heavily engaged in frontline occupations
- Over-represented in jobs that cannot be done from home – *unsafe jobs*
- Over-represented in sectors showing the greatest *decline in employment*
- Face heavy workload at home
- **Threat to women's and girls' mental and physical wellbeing**



COVID and suicide: Japan's rise a warning to the world? (BBC 2021)

Professor Michiko Ueda , Japan's leading experts on suicide. "This pattern of female suicides is very, very unusual. I have never seen this much [of an] increase in my career as a researcher on this topic. The thing about the coronavirus pandemic is the industries hit most are industries staffed by women, such as tourism and retail and the food industries."

Number of suicides in Japan
2008 - 2020



Source:

BBC

Domestic responsibilities (ACAPS 2020)

- Men have taken on increasing domestic responsibilities
 - Depending on national context and household characteristics
- Impact on household power dynamics
- Trigger for gender role reform in the long term?

Women did more unpaid work before Covid

How much more time women spent on unpaid care work and chores than men before Covid. Eg 4.8 times more in Japan



Source: United Nations

Low-paid, often low-skilled workers were particularly affected (ILO-OECD 2020)



- Frontline workers – continued with essential services during lockdown,
- Frontline workers work in sectors characterized by relatively low wages –
 - Health and care workers (not doctors),
 - Cashiers, production and food processing workers,
 - Janitors, maintenance workers, agricultural workers,
 - Delivery workers, truck drivers
- Low earners also work in **sectors affected by shutdown**
- These sectors will take longer to recover from economic crash

Other workers affected – job losses or losses in income

- Self-employed
- Those on temporary, on-call or part-time contracts
- Workers on fixed-term contracts
- Informal economy workers



Gender disparity across occupational sectors

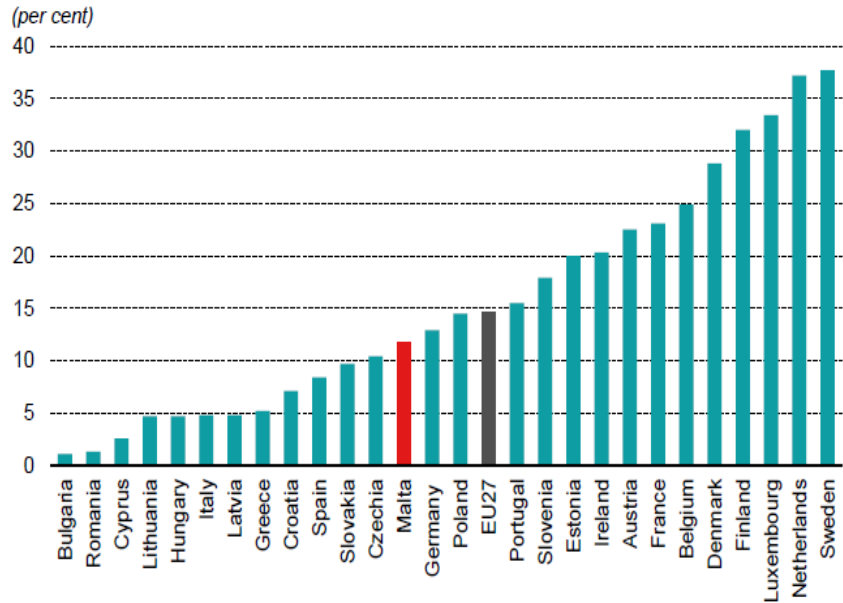
- Workers with access to remote working alternatives are at an advantage
- Women who can work remotely might face difficulties if they have to take care of young children
- Men's telework tends to be prioritized, so they are exempted from household chores (UN Women 04/2020)

**GENDER-SENSITIVE MONITORING OF
LABOUR MARKET DURING PANDEMIC
IS IMPORTANT**

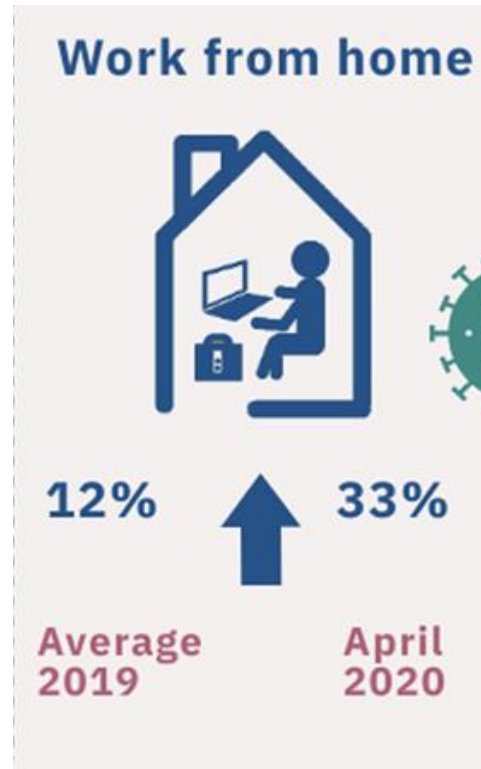


Telework

Chart 1
SHARE OF PERSONS IN EMPLOYMENT (aged 15+) DOING SOME WORK AT HOME IN 2019
(per cent)

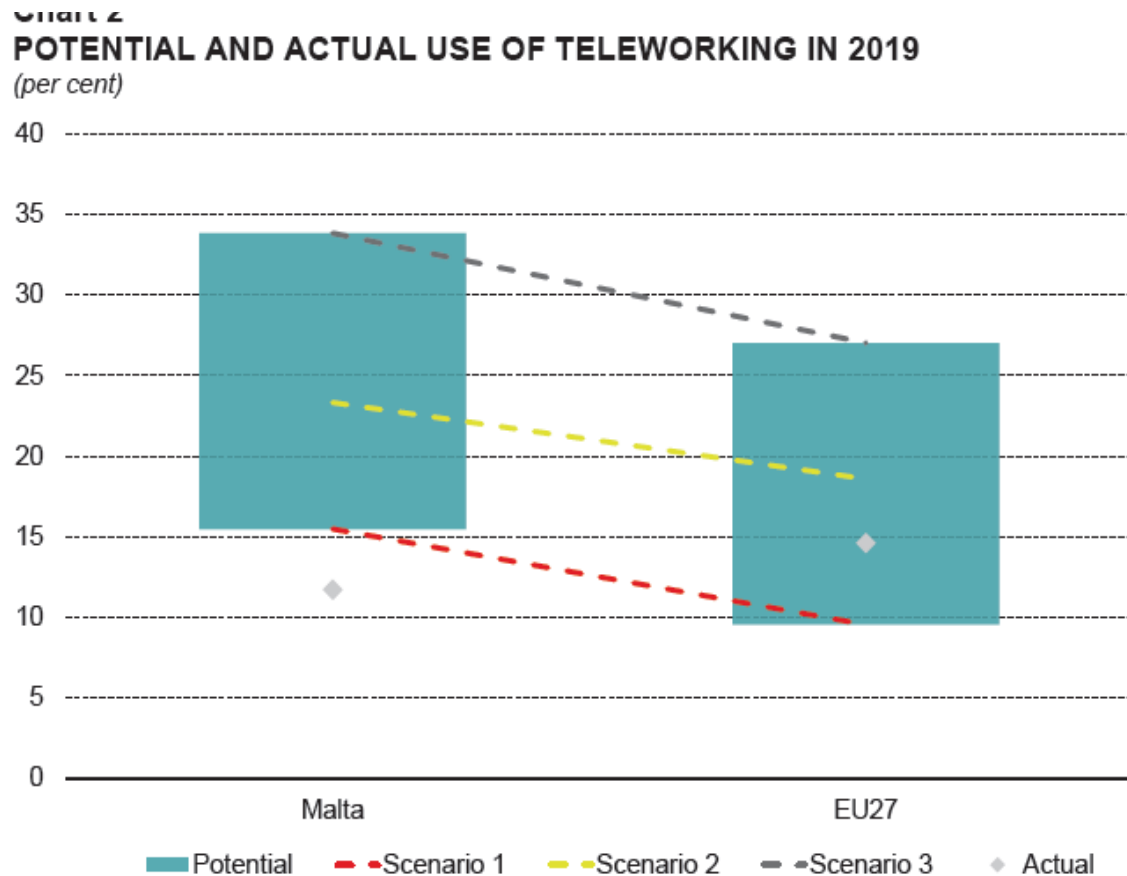


Source: Eurostat.
Note: Individuals doing "some" work from home comprises individuals who work from home "usually" and "sometimes".

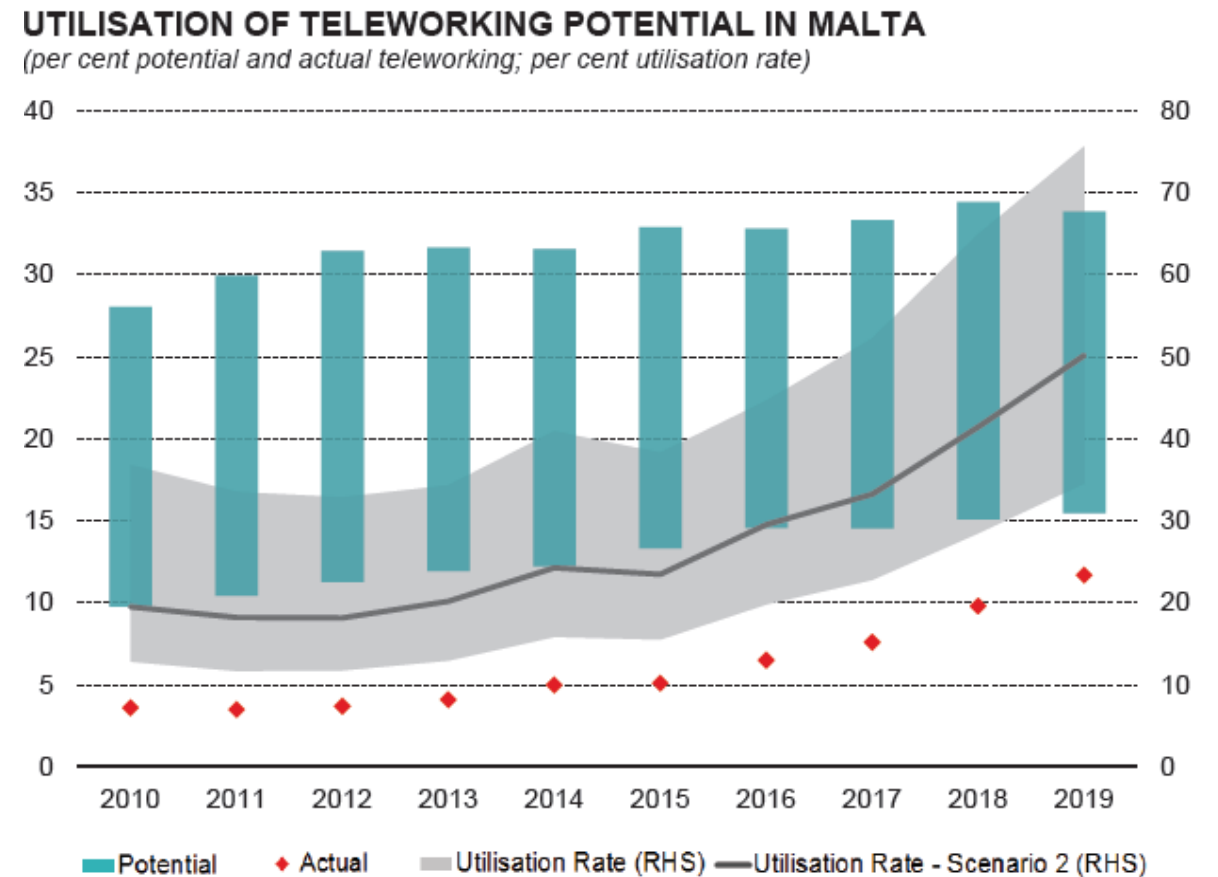


- COVID-19 turned out to be a global experiment in mass teleworking (ILO-OECD 2020)
- 33% of all employed persons worked from home March-April 2020 (NSO, 2020)
- Central Bank says the pandemic demonstrates Malta's potential for telework

Malta's teleworking potential higher than EU27 due to economic activities. Despite this, in 2019 it stood 2.9 points below EU average. 15%-25% of work can be done from home



Source: Author's calculations based on Eurostat data.



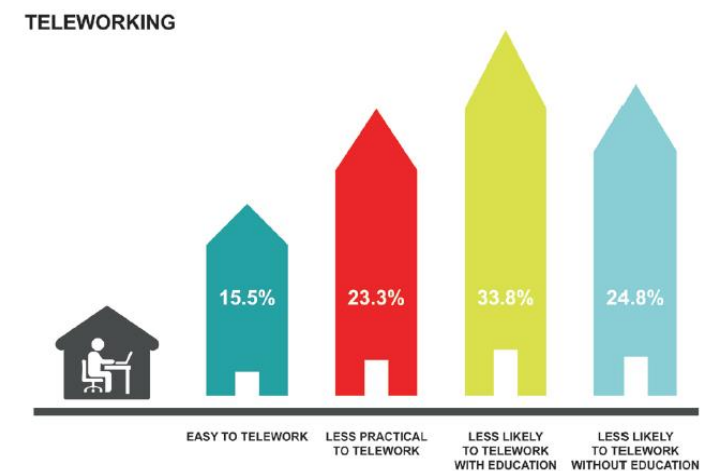
Source: Author's calculations based on Eurostat data.

SELECTION OF JOBS DEEMED TELEWORKABLE IN MALTA

	Scenario 1	Scenario 2	Scenario 3
Sector			
<u>Highly likely to be able to telework</u>			
Computer programming, consultancy and related activities	✓	✓	✓
Information service activities	✓	✓	✓
Financial service activities, except insurance and pension funding	✓	✓	✓
Insurance, reinsurance and pension funding, except compulsory social security	✓	✓	✓
Activities auxiliary to financial services and insurance activities	✓	✓	✓
Legal and accounting activities	✓	✓	✓
Activities of head offices; management consultancy activities	✓	✓	✓
Architectural and engineering activities; technical testing and analysis	✓	✓	✓
Advertising and market research	✓	✓	✓
Other professional, scientific and technical activities	✓	✓	✓
Gambling and Betting activities	✓	✓	✓
<u>Possible to perform by telework</u>			
Publishing activities		✓	✓
Real estate activities		✓	✓
Security and investigation activities		✓	✓
Office administrative, office support and other business support		✓	✓
Public Administration; ¹ Compulsory Social Security		✓	✓
Activities of membership organisations		✓	✓
<u>Less likely but may be possible to telework under special circumstances</u>			
Scientific research and development			✓
Motion picture, video and television programme production, sound recording and music publishing activities			✓
Programming and broadcasting activities			✓
Telecommunications			✓
Education			✓
Number of employees (aged 15+) working in these sectors in 2019	39,400	59,400	86,200
Total number of individuals (aged 15+) in employment in 2019	254,700	254,700	254,700
Share of individuals in employment (aged 15+) working in teleworkable jobs in 2019	15.5%	23.3%	33.8%

Malta's teleworking potential

Some economic activities are more compatible to teleworking



Sectors hit according to Central Bank (2021)

COUNTRIES AND SOCIAL DISTANCING RISK

Cedefop analysis based on online job advertisement and European Labour Force Survey (EU LFS) data

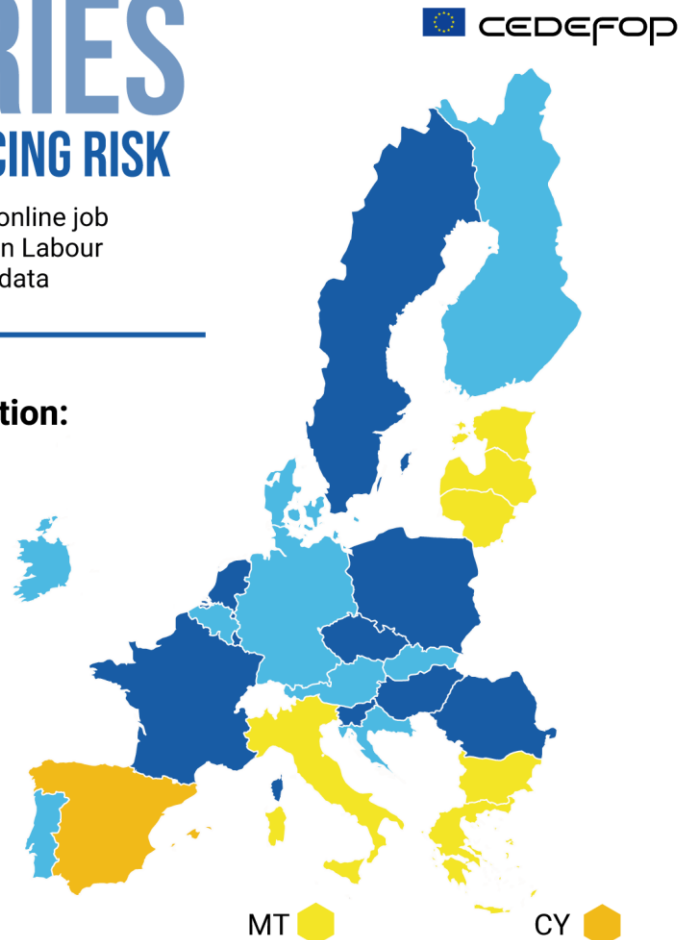
Employment share (in%) in sectors in **high risk of disruption**:

Accommodation & food services
Wholesale & retail trade
Arts & recreation
Transport & storage
Construction

52%



34%



CEDEFOP

CONTRIBUTION OF SECTORAL GVA TO NOMINAL GDP

Percentage points

	2019		2020		
	Q3	Q4	Q1	Q2	Q3
Agriculture, forestry and fishing	0.0	0.0	0.0	-0.2	-0.1
Mining and quarrying; utilities	0.1	0.1	0.0	-0.3	0.1
Manufacturing	0.4	1.0	0.6	-0.8	0.1
Construction	0.6	0.7	0.4	-0.2	0.0
Services	5.7	6.3	2.8	-10.8	-6.3
<i>of which:</i>					
Wholesale and retail trade; repair of motor vehicles; Transportation; accommodation and related activities	1.5	1.5	-0.5	-9.6	-7.1
Information and communication	0.3	0.6	0.6	0.4	0.6
Financial and insurance activities	0.5	0.0	0.3	0.1	0.3
Real estate activities	0.5	0.6	0.5	0.1	0.1
Professional, scientific, Administrative and related activities	1.6	1.8	0.1	-1.3	-1.8
Public administration and defence; Education; health and related activities	1.1	1.5	0.6	-0.3	0.8
Arts, entertainment; household repair and related services	0.1	0.4	1.3	-0.2	0.8
GVA	6.8	8.1	3.8	-12.2	-6.2
Taxes less subsidies on products	-0.7	-0.2	-1.4	-2.6	-2.6
Annual nominal GDP growth (%)	6.1	8.0	2.5	-14.8	-8.8

Source: NSO.

Table 2.5
LABOUR MARKET INDICATORS BASED ON THE LFS

Persons; annual percentage changes

	2019 Q3	2020 Q3	Annual change %
Labour force	266,131	272,320	2.3
Employed	256,297	259,731	1.3
<i>By type of employment:</i>			
Full-time	222,731	229,690	3.1
Part-time	33,566	30,041	-10.5
Unemployed	9,834	12,589	28.0
Activity rate (%)	76.1	77.3	
Male	86.0	84.7	
Female	65.1	68.8	
Employment rate (%)	73.3	73.6	
Male	83.1	80.8	
Female	62.3	65.5	
Unemployment rate (%)	3.7	4.6	
Actual hours worked (per week)	35.6	34.0	

Source: NSO.

The participation rate for men contracted by 1.3 % points.

Full-time jobs increased by 6959 or 3.1%

The number of part-time employees (incl those employed FT on reduced hours) declined by 10.5%

Number of average hours worked per week decreased

Employment (2020 Q3 vs 2019 Q3) (NSO 2021 LFS)

- Overall employment rate rose by 0.3% point
- Saw a **rise** in female employment rate – rose by 3.2 % point across all age brackets
- Employment rate of males **decreased** by 2.3 % points due a decline in the 15-24 and 22-54 age brackets
- The number of unemployed persons rose by 558
- *The impact of COVID-19 containment measures on unemployment was mitigated by Wage Supplement Scheme, firms' reliance on shorter working-time arrangements, re-skilling and upskilling courses.*

	Males	Females
Employed 2020 Q3	-152,456	+107,275
Employed 2019 Q3	154,233	102,064
Unemployed 2020 Q3	+7,218	+5,371^u
Unemployed 2019 Q3	5,279 ^u	4,555 ^u
Inactive 2020 Q3	+67,000	97,659
Inactive 2020 Q3	63,605	102,651

Impact on women and men in the informal sector



- Sectors in which informal economy workers find employment
 - Wholesale/retail trade sector
 - Manufacturing sector
 - Construction
- Majority of these are own account workers, or work in small firms (under 10 workers)
- **Women, persons with disabilities, migrant workers, displaced people** tend to be over-represented in informal economy sector
- Unlikely to have **savings** to support them, especially if living on daily payments
- Women in precarious and informal jobs are more affected because of **gender pay gap**
- These workers are **not covered by social protection** – example unemployment or sickness benefits (ILO-OECD 2020)

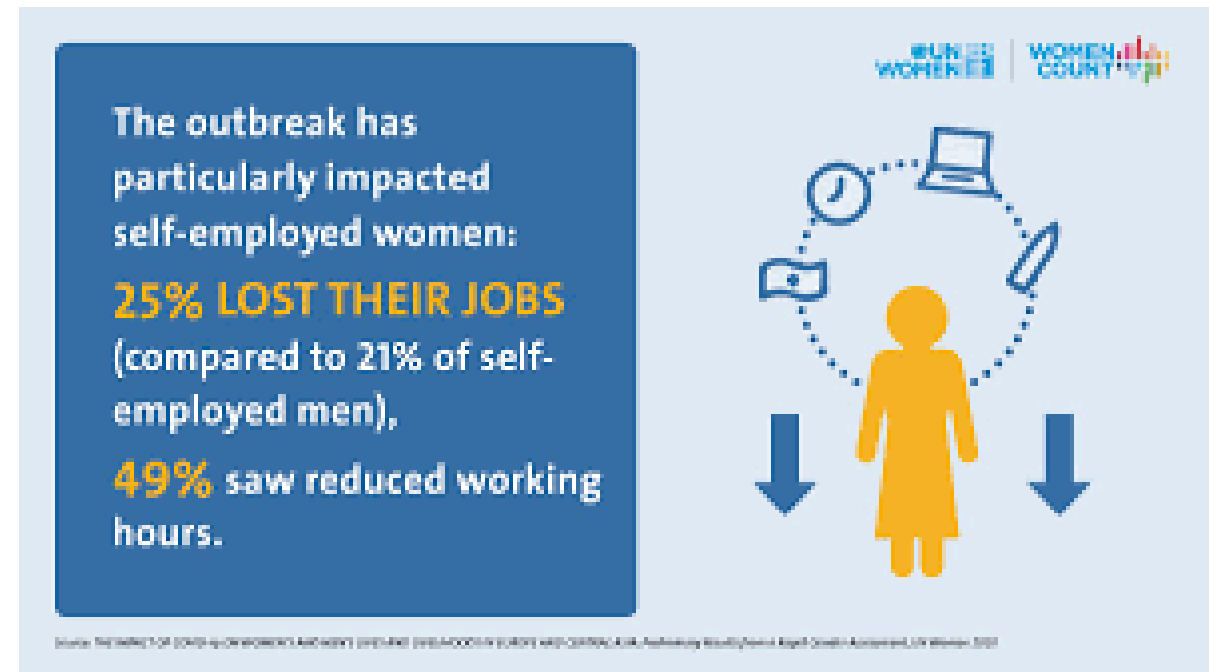
Young workers

- This year's graduates are leaving education with poor chances of finding employment or work experience (ILO-OECD 2020)
- Initial labour market experience impacts on later working life
- Younger people are not actively seeking work due to
 - limited job opportunities,
 - restrictions on mobility if they are vulnerable
 - additional family responsibilities



Impact on women's and men's access to new employment opportunities

- Pandemic provided opportunity for repurposing of some businesses
 - Produced new items or services
 - Virtual services
- **You need access to finances to change business**
- **Need data on gendered patterns of money borrowing and loans**
- Men tend to borrow from family and friends during crises
 - In a better position for negotiating repayments
 - Women borrow from institutions
 - Did not have same flexibility (ACAPS 2020)



Impact on women's and men's management of household income, budget, and state aid

- The un/employment status of men and women affects their decision-making powers within the household
- Women perceived as the main decision-makers over resources
- Women who no longer contribute to the family income, do they risk seeing their household authority reduced as a consequence? (CARE 04/08/2020)
- Exclusionary budgetary practices – what happens when financial aid is given to husband/father in a household?

29% of beneficiaries are male,
71% are females;
82.5% are Maltese
17.5% are foreigners,
Malta Independent 2020.

€10.25 million in COVID-19 social benefits; 10,692 applications

Giulia Magri Thursday, 21 May 2020, 13:13 Last update: about 10 months ago



Sex workers

- Pandemic has exacerbated the livelihood and health threats of sex workers –
 - cannot respect social distancing,
 - have fewer earning opportunities,
 - higher chances of abuse
 - less likely to have savings(ACAP 2020)



**COVID may not kill us,
but hunger and
desperation will kill sex
workers.**

– Sex worker organisation,
Latin America



Domestic workers

- The majority of domestic workers in the world are women (ACAP 2020)
- Power relations imbalance between domestic workers and their employers may increase
- Live-in domestic workers may need to work longer hours if employers and their children work and study from home
- At high risk of infection
- Migrant domestic workers might have lost their jobs
- Might not have enough savings to return home, or might not be able to do so with border closure
- Might be unable to support themselves in foreign country (ACAP 2020)



Girls and boys

- Decrease in family income might push some parents to send children to work at an early age
- Children might be pushed to work in informal sector
- Might lead them to drop out of education
- Girls might be given lower priority in accessing the internet and remote learning tools
- This will have life-long health, economic and livelihood consequences

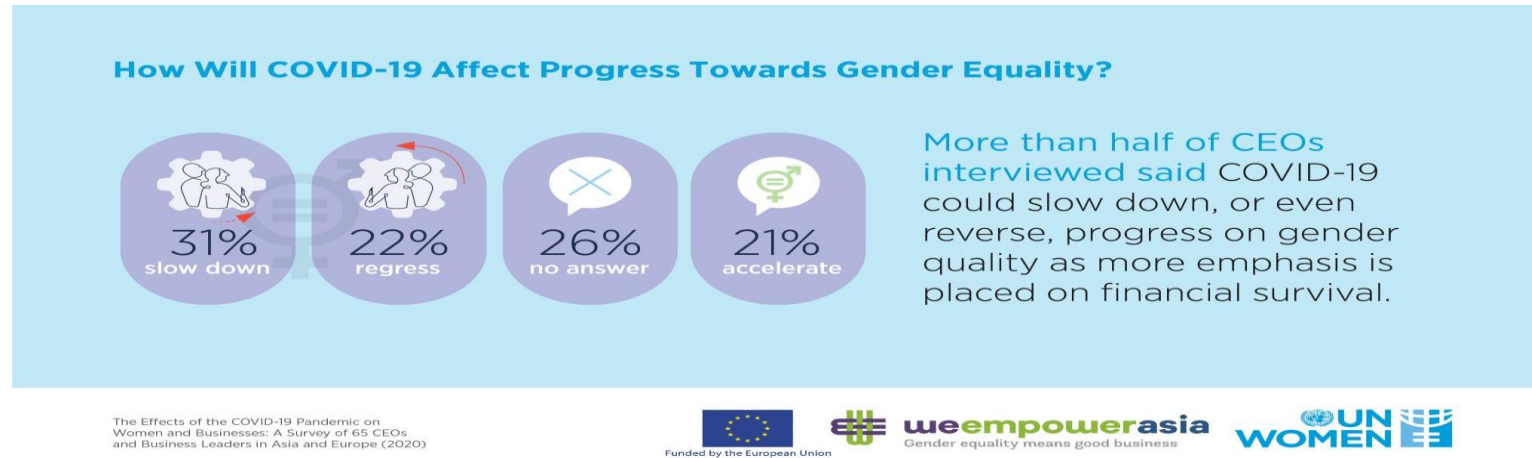


Impact of pandemic on gender inequalities

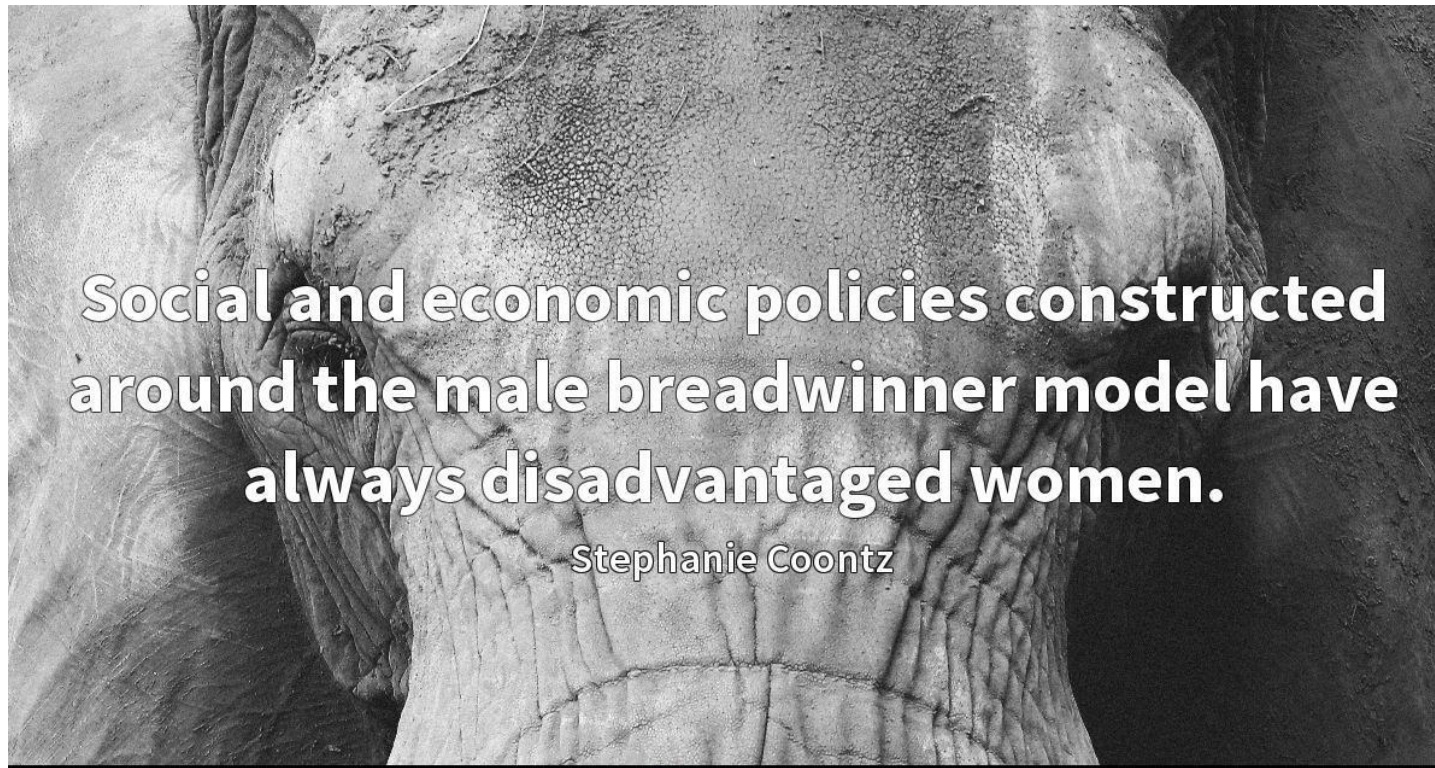
- Escalating inequalities and power shifts within households and societies
- Increase in gender-based economic violence and protection violations
- Increase in race-based economic violence and protection violations
- Economic violence
- ***“any act or behavior which causes economic harm to an individual. Economic violence can take the form of [...] property damage, restricting access to financial resources, education or the labour market, or not complying with economic responsibilities, such as alimony” (EIGE 2017)***
- Gender-based economic violence may also be a consequence of men’s job losses
- When men spend more time at home they have more say on how money is spent, leading to a reduction on expenditure on things needed by women/girls



Impact of pandemic on gender inequalities



- Women have less access to the labour market and income-generating opportunities
- Are employed in informal positions with no access to social safety nets
- Might see long-term employment prospects reduced because of increased unpaid work
- More likely to rely on less reliable sources of loans and financing compared to men
- Risk becoming dependent on other income earners within the household



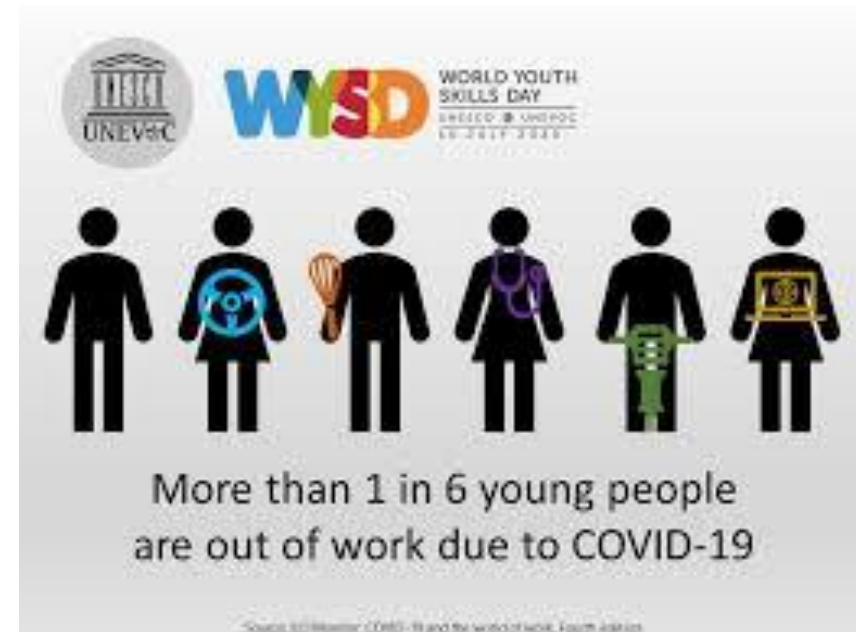
**Social and economic policies constructed
around the male breadwinner model have
always disadvantaged women.**

Stephanie Coontz

- The concept of the male breadwinner
 - Non-contributory benefits based on this concept
 - Policy makers might give men priority access to work after pandemic is over

Impact on youth

- Closing down of entry-level jobs in labour market
- Reduced access to internships and apprenticeships
- Can lead to high and persistent youth unemployment and underemployment after crisis
- Massive damage to informal economy



A close-up photograph of a man with light-colored hair, wearing a dark blue suit jacket, a white collared shirt, and a blue face mask. He has his right hand pressed against his forehead, suggesting stress or frustration. The background is blurred, showing other people in a public setting.

Government
responses and
policies need to be
inclusive and take
into consideration
diversity

'Building back better' calls for increased policy coherence between: (ILO-OECD 2020)

Economic

Employment

Social policies

- **Living wage income schemes** as a permanent structural instrument to protect the most disadvantaged
- Change in the design, coverage, level of support and delivery mechanisms of social protection schemes: **all workers need to be covered**
- Ensure that sickness benefits and paid sick leave is available to all workers, especially those in
 - informal economy,
 - gig economy workers,
 - self-employed workers
- Promoting transitions from the informal to the formal economy

Promoting gender equality in the labour market (ILO-OECD 2020)

- Strengthen care leave policies and family-friendly working-time arrangements
- Improve access to affordable childcare services and out-of-school services, care services
- Promote women's entrepreneurship
- Promote women's participation in managerial and leadership positions
- Promote home and work environments free from violence and harassment

How the G7 Can Respond to COVID-19 with a Gender Lens:



- ✓ Support healthcare and social workers
- ✓ Protect those experiencing domestic violence
- ✓ Keep all girls engaged in learning
- ✓ Guarantee access to sexual and reproductive health services
- ✓ Encourage men to do 50% of care and housework
- ✓ Provide disaggregated gender data
- ✓ Include women as decision makers in response and recovery efforts

Measures to promote gender equality in labour market

- Encourage more balanced share of household and care responsibilities
- Close gender gap in labour force participation,
 - pay,
 - social protection

Gender-responsive policymaking is key for closing gender poverty gaps

Over
100 million women
and girls
can be **lifted out of poverty globally** if governments implement a comprehensive policy strategy aimed at **improving access to education, family planning, equal wages and social transfers.**



The **cumulative cost of eradicating global poverty by 2030** is estimated at
US\$ 2
trillion,
just 0.14% of global GDP.

Considering that more women than men live in poverty, **eradicating extreme poverty requires investment in closing the gender poverty gap** – estimated to cost
US\$ 48
billion in PPP.

Achieving better employment prospects for young people (ILO-OECD 2020)

- Tackle additional barriers faced by young women when accessing good quality employment
- Promote lifelong learning opportunities – e.g. strengthen digital skills



Exercise social dialogue

- Representation of groups worse hit on Coronavirus Response Task Team
 - Young persons
 - Women
 - Persons with a disability
 - Migrant workers
 - Unorganised workers – self-employed, casual and gig workers
- Crucial for the design and implementation of policies and measures



Improve working conditions for vulnerable workers

- Improve working conditions for vulnerable workers
 - Fixed-term employment
 - Part-time and on-call work
 - Temporary agency work
 - Disguised and dependent self-employment
- **Revisit regulatory frameworks**





**LEAVE
NO ONE
BEHIND**

Grazzi

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