

MINUTES Lockdown and Recovery: What is the gendered impact

Women and Work APPG Meeting, Monday 29 June 2020 3-4pm via Zoom

Chairs: Jess Phillips MP, Co-Chair of the Women and Work APPG & Laura Farris MP, Co-Chair of the Women and Work APPG

Parliamentarians in attendance:

- Laura Farris MP
- Jess Phillips MP
- Baroness Garden of Frognal
- Karin Smyth MP
- Fleur Anderson MP
- Christine Jardine MP
- Baroness Kennedy of the Shaws

<u>Minutes</u>

Co-Chair of the Women and Work APPG, Laura Farris MP convened the meeting, welcoming attendees and panellists to the APPG's virtual meeting.

She explained that she recently published an article in The Times on the gendered impacts of the COVID-19 crisis and highlighted that the summer holidays are approaching as employers are beginning to request that people return to work, which is likely to disproportionately impact women, who undertake the most childcare. Laura added that the sectors that have been most impacted by the pandemic and lockdown measures – mostly customer-facing sectors such as retail, hospitality and hair and beauty – disproportionately employ women, expressing concern that the future of employment for those women is uncertain.

Co-Chair of the Women and Work APPG, Jess Phillips MP gave further context to the meeting topic, quoting research by the Institute for Fiscal Studies and the UCL Institute of Education which shows that mothers are 47% more likely than fathers to have lost their job or quit and 14% more likely to have been furloughed. She highlighted that male-dominated sectors have received more attention and funding to support them through the crisis and explained that the APPG is interested in how the recovery process can be beneficial to all and ensure women are not left behind.

Jess mentioned the APPG's call for evidence on how COVID-19 has affected women in the workplace, before introducing the first speaker on the panel, **Charlotte Woodworth, Gender Equality Campaign Director at Business in the Community (BITC).**

Charlotte explained that the crisis has prompted concern about women's equality in the workplace. She said there was a lot of worry at the start about the potential impact of the pandemic and this is beginning to emerge into a bleak reality.



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She first addressed domestic abuse, stating that a number of businesses have shared that increased discussion and awareness of this topic has given them a sense of greater license to talk about this in their organisation. She noted that one member organisation had reported they had previously viewed domestic abuse as an issue that happened at home and not an issue for the workplace, but now that the workplace was the home, they felt they needed guidance to address it and support employees. Charlotte stated that BITC agreed that businesses should be doing what they can and also wanted to galvanise businesses to change the terms of the discussion about the role of the workplace and support staff in these situations.

On equal pay, Charlotte explained that we entered 2020 with a record number of women in work but are likely to end it with a widening of the pay gap. BITC has been shocked at how many large employers chose not to report their pay gap this year when the requirement was lifted, and that those who did were using data that was almost a year old. She added that fewer than half of those who reported last year have reported again in 2020, noting that it has become clear what a crucial role the legal backstop plays. BITC is encouraging its members to report, framing this as a chance for businesses to demonstrate their commitment to equality.

Charlotte spoke next about diversity, saying it is important to evaluate which women we are referring to when discussing gender. She said the crisis had clearly illustrated how different women have different needs and experience things in different ways. For example, the pay gap widening is, on average, more of an issue for black women than white women, as black women are less likely to have a safety net. Charlotte stated that it is key to understand the intersectional impact of the crisis and that the Government must approach it in this way too, as efforts to support women must support all women.

She added that BITC was also concerned that there is a cumulative impact of balancing work and childcare, in the exhaustion of juggling too much. She said the COVID-19 crisis has put nurseries and childcare places at risk and the Government needs to give the early years sector greater support. During this period, Charlotte said BITC has tried to promote the opportunity to encourage better take-up of shared parental leave. She said employers shouldn't assume that their employees already have access to this information.

Jess responded to Charlotte's points about domestic violence, stating that the Government has said it will launch an inquiry into domestic violence in the workplace and employers understanding that they may need to step up is helpful. She agreed that the lack of pay gap reporting is worrying and that supporting women through lockdown must mean all women, particularly as minoritized women have borne the brunt of a lot of key work and the disease. She added that a specific strategy and concerns for these women should be identified as we move forward.

Laura agreed that the crisis has produced specific issues in the childcare sector, stating that the difficulty of managing young kids is more specific than having older children around. She said there is an issue about the survival of nurseries but expressed concern that there won't be much patience from employers for people with childcare problems. She argued that there is not a clear enough childcare offering for families over the summer



holidays and that people genuinely don't know how they will continue to work over that period.

Charlotte said that this is a long term issue, and that men face a *"fatherhood premium"*, while women face a *"motherhood penalty"*, as they are seen positively at work for helping with childcare, while women who have felt the need to be discreet about their childcare responsibilities have had to label them.

Jess agreed that we can anticipate this having a negative impact, before handing over to the next speaker, Damilola Ojuri, Women and Family Friendly Portfolio Lead at the Federation of Small Businesses (FSB).

Damilola explained that most of the FSB research she works on has focused on the impact of COVID-19 on women and women-owned business, with the aim of illuminating issues and providing solutions to them. She said Government data showed that only 15% of small and medium-sized (SME) employers are women-led, and the FSB understands that a lower proportion of women expect their businesses to remain open through the crisis, compared to their male counterparts. Damilola explained that the COVID-19 crisis has exacerbated inequalities for women, both in employment, and as entrepreneurs.

Damilola said 70% of respondents to FSB surveys had found that the pandemic has had a very negative impact on their cashflow. She stated that women entrepreneurs tend to be less likely to take out loans, as they often have less success with applications and are given higher interest rates, so have benefitted less from Government support, which has been mostly loan-based. She added that women entrepreneurs often see the state of the domestic economy as the greatest barrier to growing their business, which means that the economic shocks related to COVID-19 are a terrible scenario for 2020. Damilola explained that the FSB's membership survey showed that 86% of respondents had not applied for a Government loan, and for 24%, this was because they didn't know enough about it. She added women entrepreneurs have a greater fear of debt repayment, and education and knowledge barriers are blocking access to finance.

Damilola said that one positive finding was that of the women-led businesses that had closed, a lot felt that they would open again. She concluded by stating that overall, the COVID-19 crisis has undone a lot of the progress made by women entrepreneurs in recent years.

Jess said that one of the good things to come out of the crisis was the changing face of different entrepreneurial sectors, like technology and artificial intelligence, but noted that the entrepreneurialism that will emerge from this period is likely to remain in maledominated fields. **Damilola** agreed and added that even women who have had more flexibility at work during the pandemic have experienced other issues, for example in relation to childcare, which still genders their experience.

Laura remarked that business owners were less likely to qualify for full income support through the furlough scheme and were not entitled to as much support as self-employed people or employees. Her constituents also had a lack of appetite for taking out loans, like the pattern Damilola had explained, as people are reluctant to take on debt during times of uncertainty. Laura stated that she hopes small businesses receive levers for help from



the Treasury. She added that there has been a *"major hibernation"* of small businesses; those that aren't overwhelmed with debts and overhead costs, and are in a different position to typical employees, which can be much more challenging when at the helm of a business. **Damilola** agreed, adding that there is an aversion to obtaining credit across small business owners, not just women.

The next speaker, Lizzie Walmsley, Joint Director of Engagement at UK Youth explained that UK Youth are a national charity whose mission is to ensure young people to age 25 are empowered, and to support UK youth organisations and the UK youth movement. She stated that youth employment data shows that young men are more likely to have had financial management training, going to university discussed with them, and visited employment sites. Lizzie explained that while this data shows a gendered disparity, this intersects with racial disparities as black census respondents are also less likely to have had any of these experiences.

Lizzie then referred to a report by the Young Women's Trust, called *"Ignored, Undervalued, Underpaid",* which finds that more than 78% of those who have lost their jobs during the COVID-19 crisis are women, and two thirds are aged 18-34. She said that many young women were living in financial hardship already but now they are struggling to afford food, and one in ten have had to take on debt to manage. Lizzie added that women in employment are twice as likely to be key workers as employed men.

Lizzie stated UK Youth is part of a group of organisations that make up the Youth Employment Group, which is calling for an opportunity guarantee and for women to be a priority. Through programmes, they have discovered that women and girls have a lower sense of wellbeing and confidence, which impacts their ability to enter the job market. Lizzie explained that role models are key to young women's employment, and that a programme called Reach Up showed that a focus on work experience and mentorship provided skills that three quarters of participants would not have found elsewhere.

Lizzie argued that youth services have been "*decimated*" over the last decade, so that now only 46% of young people have access to a youth club. She argued making opportunities for young people was key, and a youth club is a safe space for young people, aiding the development of skills that help people to find employment. She concluded by stating that young women have been among the hardest hit by the COVID-19 crisis, but their voices are missing from the debate. Lizzie said that a third of young women still have a limiting perception of their gender and encouraged people to listen to young women.

Jess said that the Government would be announcing a series of policies to aid economic recovery in the coming days, the focus of which is currently building infrastructure. She said that as the construction workforce is largely male, an emphasis on so-called *"shovel-ready"* infrastructure projects won't benefit women. She said that she also expects the announcements to include a skills and training offer targeted at young people, emphasising that it is important to make sure the Treasury doesn't forget women.

Laura said that a lot of announcements are expected, many of which are likely to focus on tech and green jobs. She agreed that there is an emphasis on *"shovel-ready"* projects, which have little resonance for women. She said there will be a need for a follow up



conversation on how women are being supported when there is more clarity on what the policies are, but that youth unemployment is a focus currently. There have been smoke signals about guarantees for youth employment, while further education and apprenticeships have been a priority since the start of 2020. On the topic of financial training, Laura explained that a significant injustice around women's employment is the gender pensions gap.

Jess agreed, stating that young women tend to have more precarious jobs in their childrearing years and don't get into the habit of saving. **Charlotte** added that women are probably earning less, so the pensions poverty gap starts very young and the seeds are sown early. She stated that, as women are more likely to have been furloughed during the COVID-19 crisis, there is a danger that this gap will now be exacerbated.

Regarding rumoured education announcements, **Lizzie** stated that young people need access to different kinds of spaces outside of school, so that if they struggle in formal education they can access support and information elsewhere.

<u>Q&A</u>

Julia Waltham from Working Families asked about the importance of job design and how employers organise work moving forward. She explained that redundancies for women are in the pipeline and that in future, work may be done by a shrinking pool of (mostly male) workers doing long days, with no jobs for anyone else. She asked how employers could design inclusive policies in this context.

Jess said that the COVID-19 crisis should be an opportunity to prove that flexible working is possible. **Charlotte** agreed, saying that the crisis has caused a shift in attitude and prompted understanding that people can work from home and work flexibly, which could be immensely positive.

Julia added that it is important to recognise that the labour market could be on course to allow flexible working for middle class, higher earning workers and no flexibility for those on lower incomes. Any vehicle for flexible working needs to bring lower income workers along too, who often have flexibility imposed on them through less secure work.

Laura stated that there was a Conservative manifesto commitment to make flexible working the default for all jobs but noted the importance of any legislation on this not being gender specific, as the idea that men need to be *"office-bound"* needs to be debunked. She further stated that flexible working can also mean adjusted hours or working from home, and these are the galvanising forces that need to be pressed by MPs ahead of the Employment Bill. Laura said that flexible working has been road-tested in a new way in lockdown and argued that employers need to move away from judging performance on KPIs and how much people are in the office. She added that flexible working practices are compatible with a recession as they reduce overheads, because if fewer people in the office, the costs of space, electricity, and things such as printing are reduced.

Jess added that women in lower pay are overlooked in the conversations, which is important to bear in mind. She said it is important to talk about flexibility in shift patterns,



for example. The crisis has shown an upside to a workforce that has flexibility, which will be important to prove with data.

Baroness Kennedy of the Shaws asked about the loss of employment rights that comes with leaving the European Union. She stated that the protections involved in membership were particularly beneficial for women and expressed concern that Brexit will result in increased use of agency workers, who have fewer protections. **Jess** stated that it is likely agency work will increase as a result of the COVID-19 crisis, as it will provide a way for businesses to become more agile. **Charlotte** said that the pandemic and arrangements around furlough have widened divisions between those who are agency workers and employees on the books. The move to remote working will exacerbate divides between people with different types of contracts. **Damilola** stated that the equality rights that may be lost as a result of leaving the EU is something that requires greater attention, particularly as women entrepreneurs and sole traders have fewer employment rights.

Julia Rouse from Manchester Metropolitan University pointed to the Good Work Report, stating that living hours are important. Laura stated that the Employment Rights Act hasn't done enough to capture the different types of worker, such as those in the gig economy. She argued that it is important to hold the Government to account to ensure there won't be a diminution of employment rights as a result of Brexit. Julia Waltham added that if tribunal fees resurface this will be another problem. Jess said it was important to ensure people are educated about their rights and where they might have a tribunal case.

Charlotte said there is a possibility that a broader economic downturn will mean some employees see an opportunity to do things that are prohibited, like sacking pregnant women or widening the pay gap. She said it is important to look at how employers can prevent this and anticipate possible narratives attempting to justify it, such as that more women were furloughed because they could ask for it to cope with childcare needs. She concluded that by autumn, the impact of COVID-19 on gender in the labour market will hopefully be clearer but it will probably be stark.

Jess and Laura thanked the panellists and attendees and brought the meeting to a close.