

## Policy Brief: Covid-19 and inequalities in working lives in the UK

In this brief, we explore the impact of Covid-19 on working lives in the UK. We ask how the workplaces of women and men, and their types of work, have been impacted as the pandemic effects rolled out. We ask whether the pandemic is narrowing or reinforcing existing (pre-pandemic) inequalities in our ways of working as well as what needs to be done so recovery reaches everyone equally.

Recommendations are for the government to:

1. Invest in universal free/affordable childcare and adult social care.
2. Strengthen worker rights.
3. Improve safety for workers.
4. Introduce the right to flexible working from day one.
5. Implement a UK-wide socio-economic duty
6. Introduce Ethnicity Pay Gap reporting

### Summary

The Covid-19 pandemic has changed the way we work. It created job loss, work instability, financial hardship, and great insecurity. It has generated deep problems for much of the working population in the UK, but it is also impacting in starkly different ways on different groups of workers. For example, working class women have carried a heavy burden of the extra physical and emotional labour being generated by the pandemic. These women care for children, sick and frail elderly, clean buildings, cook and serve food, administer institutions and staff shops, while retaining major responsibility for domestic work and caring at home.

Our two projects probe how Covid-19 impacted the working lives of women and men, tracking trends as the pandemic rolled out, focusing on inequalities of gender, class, ethnicity, and their intersections. The research asked whether the pandemic is narrowing or reinforcing existing inequalities in our ways of working. To answer this crucial question, we analysed data gathered from very many workers, and very different workplaces, across the whole of the UK. Joint with the UK Women's Budget Group, we produced up-to-the-minute robust data findings presented in a user-friendly format. We worked with the media and parliamentarians to rapidly disseminate findings and make recommendations to policymakers.

### Policy recommendations

The government should:

1. **Invest in universal free/affordable childcare and adult social care:** long-term sustainable investment in social infrastructure like nurseries, social care centres, domiciliary care and early years' education has the potential to not only create millions of jobs in these sectors but across the economy through an indirect effect, allowing carers to enter or progress in the labour market and into better jobs. More

importantly, investment in social infrastructure results in a healthier, better-educated and better cared-for population.

2. **Strengthen worker rights:** reintroduce the Employment Bill to reduce insecurity for low-paid workers by extending employment rights and investing in strong and effective enforcement.
3. **Improve safety for workers:** Statutory Sick Pay should be increased to the Real Living Wage and be extended to all workers with no income floor. This would benefit low-paid workers, the majority of whom are women, and less likely to qualify for SSP.
4. **Introduce the right to flexible working from day one:** the right to request flexible work should be the default, with the onus of proof on employers should it be rejected. The pandemic accelerated the trend for flexible patterns of work, including remote working and flexible worktime. However, flexibility was not experienced by all workers in the same way, with class as a big divide in the workers who were more or less likely to work in flexible arrangements that suited them.
5. **Implement a UK-wide socio-economic duty:** to require public bodies to adopt transparent and effective measures to address the inequalities that result from differences in occupation, education, place of residence or social class.
6. **Introduce Ethnicity Pay Gap reporting:** the Gender Pay Gap reporting requirement should be extended to include ethnicity, and companies should be required to put in place plans to address these gaps. Ethnic minorities continue to experience worse working conditions and more precarious work than the white majority, across class and gender.

## Summary of evidence

### Inequalities in working lives during the pandemic

By comparing pandemic and pre-pandemic data, our research demonstrates that the pandemic has not created new inequalities in employment levels but reinforced existing ones. Overall, pre-pandemic trends worsened from the first lockdown but were starting to slowly recover by the end of 2020 and the beginning of 2021. There is, however, more variability across ethnic minorities where the recovery has been slower, widening the ethnic gap already present before the pandemic.

Men's rates of formal employment in the UK suffer the most in periods of economic crisis. Our analysis has shown that the Covid-19 pandemic is no different in this respect. Overall, men have been more impacted when unemployment and redundancies are considered. Far more women than men are outside of the formal labour force, or leave the labour force on job loss, due to their greater responsibilities for essential unpaid domestic work and caring. Women are also significantly more likely to be employed in public sector roles (particularly health, education, and local government) which have been largely protected against redundancies or have even

seen an increase in employment (particularly health). But the aggregate gender unemployment gap varies when age, ethnicity and occupational class are included in the analysis. Women from minority ethnic groups and in intermediate occupations have been greatly affected by unemployment.

Economic crises can increase the level of precarious employment if employers offer part-time jobs, temporary, fixed term or casual work, or zero hours contracts, when they would otherwise have provided full-time permanent positions. We showed that the risk of precarious work has increased for all groups of workers and particularly for women, ethnic minorities, and people employed in lower-level occupations. The importance of looking at intersections of gender, ethnicity and class was reinforced when we considered which workers are in temporary jobs, who is working atypically, and the reasons they take these precarious jobs. The risk of precarious work, and its intensification during the pandemic, are not random but highly dependent on gender, ethnicity, class and how they intersect.

We also examined if the Covid-19 pandemic impacted the self-employed. The self-employed were seen to be particularly vulnerable workers as the pandemic took hold, facing real threats to their livelihoods. These workers are over concentrated in sectors like domestic services, personal care, and accommodation and food that were shut down fully or severely limited with the pandemic restrictions, and government support schemes for the self-employed were less well-known and excluded those newly self-employed. We showed that the numbers of self-employed workers fell across the UK, but the impact of the pandemic on self-employment is not random but gendered, ethnically, and geographically driven. Self-employed people were less able to hire staff, with ramifications for unemployment levels among the labour force, and their own working hours varied more than they did pre-pandemic, with potential disruption to their incomes and financial security.

### **Working class women during the pandemic**

The Covid-19 pandemic has highlighted the key, essential but under-valued work performed by working class women. It has both exposed and intensified the deep gender and class inequalities that, together, impact women's working lives, with pandemic pressures resulting in further job and financial insecurity, heavier care responsibilities, and real challenges in managing unpaid and paid work.

Working class women's paid work was less protected from the negative effects of the pandemic than women in the highest-level jobs. Keyworking was highest among working class women. Female keyworkers were disproportionately working in customer- and patient-facing jobs, bringing a greater exposure to health risks at work. Working class men (and women) were those most likely to be furloughed. Working class women were also much more likely than other working women to be doing no hours of work in their jobs. They were much less likely than women employed in managerial or professional roles to be able to work from home, giving them less flexibility to cope with additional domestic and care responsibilities. Working class women had the lowest wages of all workers and those living with another adult earner had the lowest household earnings of all groups. Fewer were able to save than other

working women, and over a third of working class women reported suffering from financial hardship.

Working class women in coupled households, like women from all classes, also had to cope with additional domestic and care responsibilities during the pandemic. Employed women were doing much more housework, more childcare and more home-schooling than men during the pandemic, and women's share of housework and childcare grew after the pandemic hit. Employed mothers were far more likely than fathers to have main responsibility for childcare and home-schooling. Working class women were the women least likely to reduce their hours or change their work schedules because of the time they were spending on childcare or home-schooling. They also fared very poorly in terms of access to good quality flexible working arrangements more generally.

The mental health impact of struggling to cope with dangerous or insecure work, financial difficulties, and additional care responsibilities due to lockdown and home-schooling, all suggest a perfect storm which inevitably takes its toll. While women overall reported higher levels of psychological distress than men at all time points in our study, working class women reported the highest levels of all groups in November, when numbers started to creep up again during further lockdown measures. Levels of life satisfaction also declined among working class women.

### **Sources and further reading**

- Warren T, Lyonette C, and the UK Women's Budget Group (2021) *Carrying the work burden of the Covid-19 pandemic: working class women in the UK. Final report*, Nottingham: Nottingham University Business School.
- Torres L, Warren T, Veeken A and the UK Women's Budget Group (2021). *How has the risk of precarious work evolved in the Covid-19 UK? Research Summary 2*. Nottingham: Nottingham University Business School.
- <https://www.nottingham.ac.uk/business/who-we-are/case-studies/featured-research-case-studies/covid-19-working-women/index.aspx>

### **About the authors**

- This brief was authored for ReWAGE by Professor Tracey Warren, Nottingham University Business School; Professor Clare Lyonette, IER, University of Warwick; Dr Luis Torres, Nottingham University Business School.
- This policy brief represents the views of the authors based on the available research.

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