

Covid-19: Gender and other Equality Issues

19 March 2020

This is a fast-moving situation; this briefing is a work in progress and was up to date at the time of writing – 19 March 2020.

Key Points:

- *Covid-19 is a global public health crisis and an economic crisis which impacts on different groups including women, BAME communities and disabled people, differently. Therefore, a response that takes into account different groups' positioning in society and in the economy is necessary:*
- *The Government must support businesses to continue paying their staff if they cannot operate.*
- *Both eligibility for, and rate of, Statutory Sick Pay must increase.*
- *Universal Credit must be reformed to cope with increase in claimants as well as increasing rates of child benefit, carers' allowance, parental leave payments and ESA/PIP payments.*
- *Local housing allowance must be restored to local rents as well as reintroducing full council tax rebates and opening more safe accommodation for homeless people.*
- *No recourse to public funds must end and migrant women must not be fearful of using the health service.*
- *The Government must recognise the risk of increased domestic abuse and increase funding to women's organisations to be able to respond.*

Introduction

Equality Impact of Covid-19

Covid-19 is a global public health crisis which is fast also becoming an economic crisis. The measures that governments around the world have been forced to take to reduce the spread of the virus will have a major impact on the livelihoods of millions of people and the global economy as a whole. It is not clear how long this crisis will last. However, a [report](#) by the Imperial College team advising the Government suggests that there may be a need for fluctuating levels of social distancing policies until a vaccine is developed and that this period might last for eighteen months or more.

Both the health and economic impacts of Covid-19 will be [gendered](#). Women are the majority of those providing care, paid and unpaid and the majority of [health workers](#).

This means that they are more likely to be exposed to Covid-19, and more likely to be affected by the decision

to close schools and nurseries and the need to move non-urgent patients out of hospitals.

Women are also more likely to be [employed](#) in service sectors that have been hit hardest by social distancing measures, more likely to be on [insecure and zero-hours contracts](#), more likely to be [dependent on social security](#) and more likely to be in an [insecure housing](#) situation. Single women and lone parents in particular (90% of whom are women) are already less able to [afford housing](#). Social isolation policies will [increase](#) women's vulnerability to domestic violence and abuse. These gendered impacts will intersect with impacts as a result of age, disability, class and race.

Older people and younger disabled people with serious health conditions including [respiratory conditions and diabetes](#) are the most vulnerable to severe health impacts if they contract Covid-19. [Older and disabled people](#) who rely on social care including domiciliary care or unpaid care may [find it harder](#) to self-isolate, and may be left without vital care services if their carers fall ill or have to self-isolate. Panic buying leading

to food shortages creates particular problems for people who cannot make repeated trips to the shops or travel long distances to find shops that still stock the food and other essential items they need. As hospitals and other health services have to cancel or postpone non-urgent cases older, sick and disabled people will face longer waits for treatment, exacerbating existing health problems.

[Black Asian and Ethnic Minority \(BAME\) communities](#) are also particularly vulnerable to both the health and economic impacts of the virus. People with underlying health conditions such as diabetes are more likely to experience severe symptoms if they contract Covid-19. People from a South Asian background are six times more likely to have type 2 diabetes and people from African and Caribbean backgrounds three times more likely. Bangladeshi, Pakistani, Chinese and Indian communities are over-represented among people over 65 with health-related problems.

[BAME households](#) are disproportionately likely to be poor and rely on benefits for a larger proportion of their income. People of Bangladeshi and Pakistani origin are [more likely](#) to work in distribution, hotels and restaurants and people of African and Caribbean backgrounds are disproportionately employed in the health sector.

Immigration status also impact individuals' access to support: people with no recourse to public funds will be left destitute if they or a family member loses their job. Undocumented people, visitors or visa overstayers will face large bills for medical treatment if they become ill. Covid-19 is [exempt](#) from charging as an infectious disease but undocumented migrants might not know about this exemption and remain fearful of going to the hospital and avoid treatment altogether, which will have collective disastrous consequences in a public health emergency as the one we are currently facing.

As the [Resolution Foundation](#) and others have highlighted, the economic impacts of the Covid-19 will affect the poorest families in the UK hardest. The sectors that have taken the immediate hardest hit, retail (excluding food), hotels and restaurants, airlines, travel operators, cleaning, arts and entertainment, and personal services like hairdressing have lower average rates of pay. Low-paid workers are less likely to be entitled to Statutory Sick Pay (SSP), are less likely to work from home and have lower levels of savings. Women, disabled and BAME people are all over represented among the poorest groups in society.

Women hold [70% of jobs](#) that are not entitled to Statutory Sick Pay.

The response to this crisis needs to take these specific gendered and other equality impacts into account. In the UK the crisis has exposed the weakened state of our public services, and the failure of our social security system to provide support to people when they need it most. Many of those who will be the hardest hit by Covid-19 are already struggling with the impact of ten years of cuts to public services and social security and have existing debt and low or no savings.

In the longer term this crisis has highlighted the need to do things differently. This short briefing sets out some proposals for immediate action. We will be working with partners on proposals for longer-term change in the coming weeks.

Social security

Successive governments have reduced levels of support through the social security system in order to reduce costs and to 'make work pay', encouraging more people into paid work. We are now facing a situation where we need to encourage as many people as possible to stay at home to reduce the spread of Covid-19.

Sectors such as retail (apart from food), hospitality and leisure are facing widespread job losses. School and nursery closures for an indeterminate period will force many workers to take prolonged periods of leave or leave their jobs altogether. Gendered assumptions about care responsibilities, and the earnings gap between women and men mean that it is likely that a higher proportion of women will have to take unpaid leave (if their employer permits this) or leave work altogether.

Proposals to address these problems include:

Pay

The [Resolution Foundation](#) has suggested that the Government introduce a 'Statutory Retention Pay' scheme, modelled on Statutory Maternity Pay to cover the pay of those workers who are unable to work because of Covid-19, other than those who are sick or self-isolating (who would be covered by Statutory Sick Pay). This would be paid through employers and reimbursed by the Government.

The [TUC](#) has proposed a wage subsidy scheme, similar to that in operation in other European countries. It has

argued that any support for business should be conditional on a jobs and fair wages plan. The TUC is also proposing paid parental leave to be available to parents who are unable to work because of school closures. This must be accompanied by protection from unfair treatment or dismissal for parents who take up this leave, no matter how long they've worked in their jobs.

Universal Basic Income

[Compass](#) is calling for the introduction of Universal Basic Income, with an immediate Emergency Basic Income, targeted at those in most need. This would be individual and with minimum conditionality.

Statutory Sick Pay (SSP)

The 11 March Budget extended Statutory Sick Pay to day one for people who are ill or self-isolating as a result of Covid-19. However, 1 in 5 workers are not eligible for SSP and it is paid at a low level - just £94.25 a week.

Women are less likely to qualify for SSP (and other contributory benefits) because of low or intermittent pay, zero-hours contracts and not enough regular hours / earnings due to caring responsibilities. Women make up [70%](#) of those on jobs not eligible for SSP. Low levels of statutory sick pay, and restricted eligibility increase the risk that people who are ill, or who have been in contact with someone who is ill will continue to work, risking the spread of the virus.

- The earnings threshold and employee status for Statutory Sick Pay should be abolished.
- The rate of SSP should be raised to at least that paid to a full-time worker on the National Living Wage (£322.64 per week).
- The Government needs to take urgent action to extend sick pay to the self-employed.
- Employers should be reminded that pregnant women who are advised to self-isolate and are therefore unable to work are entitled to SSP.

Universal Credit (UC)

UC claims will surely increase in coming weeks or months, yet the system is ill-designed and underfunded. Policies like the two-child limit and five-week wait, combined with the fall in the value of UC, have pushed many people into [poverty](#). For the self-employed UC creates particular problems because entitlements are calculated on the assumption that self-employed workers are working full time earning

the national minimum wage, regardless of their actual wage.

- Universal Credit should be paid from day one of a claim. If the current IT system does not allow for this, then advance payments should be widely promoted and converted from a loan into a grant while the IT systems are amended.
- The two-child limit and overall benefit cap should be abolished.
- The minimum income floor for the self-employed should be abolished.
- The overall benefit rate should be increased through an uprating of the standard allowance and child elements.
- The housing element of UC should be increased in line with actual rents (see below).
- Work related requirements in UC and Jobseeker's Allowance should be suspended as should any sanctions and deductions currently in place.

Child benefit

Child benefit is extremely well targeted, with a high take up rate and low administration costs compared to other benefits. Families with children will face additional costs during this period.

- Child benefit should be immediately increased by £10 per week per child to make up for additional costs of being at home.

Housing benefit/local housing allowance

Changes to local housing allowance have [broken the link](#) between benefit levels and actual rents. The majority of private renters claiming UC or housing benefit now face a shortfall between their rent and the level of benefit received, often of many hundreds of pounds a month.

The Government has committed to introduce legislation to prevent tenants being evicted as a result of the Covid-19, but this will simply mean tenants build up debts with no way of knowing how these will be repaid. Little has been announced to support street and statutory homeless people through the crisis. , 67% of statutory homeless people are women.

- The link between Local Housing Allowance Rates and actual rents should be restored.
- Council Tax rebates need to be restored to.

- Adequate shelter must be provided for homeless people

Employment Support Allowance (ESA)/Personal Independence Payments (PIP)

[Disabled women](#) have been disproportionately affected by cuts and changes since 2010; although not frozen, multiple changes to eligibility conditions and uprating have reduced the amounts and scope of disability benefits.

The Chancellor announced that contributory Employment and Support Allowance, which can be claimed by employees or self-employed people who have enough national insurance contributions, can be paid from day one rather than day 7, without a fit note if they have Covid-19. Whilst welcome, this would not help women who don't have enough national insurance contributions to qualify (or who can only receive a credit for their national insurance record rather than an actual payment of ESA). This underlines calls from WBG and others for better sick pay.

- The Government has said that people will not have to attend face-to-face assessments for ESA or PIP for 3 months; this needs to be longer so that disabled people are not put at risk (e.g. no face to face assessments until a vaccine has been developed.)
- There needs to be immediate investment in social care services to support disabled and older people, including emergency support if personal assistants and carers need to self-isolate.

Pregnant Women

WBG echoes the [call](#) of Maternity Action to protect pregnant women and new mothers from maternity discrimination at a time when businesses will be looking for ways to save money. Statutory Sick pay should be available for pregnant women who need to stay away from the workplace given their vulnerability to the virus.

Carer's Allowance

Care is not just delivered within the formal care sector. Women are more likely than men to deliver unpaid care at home so if elderly, young or vulnerable people need caring for when hospitals are full and schools are closed, it is more likely to be women who pick up the pieces. In response, the parental leave payments

discussed below ought to also extend to carers of the elderly, vulnerable and disabled during this time as a form of Carer's Allowance. Carer's Allowance is currently £66.15 per week and this is not sufficient given the crisis faced.

- The level of Carer's Allowance should be increased. For many carers their role is 24/7 with little respite. Carer's Allowance should be at least the level of a full-time worker on the National Living Wage.

No recourse to public funds

The 'no recourse to public funds' policy (NRPF) leaves many migrants in the UK unable to claim benefits or access basic services. Currently, women with no migration status are charged for maternity care after they have received treatment as it is considered 'urgent' or 'immediately necessary' by the Department for Health. They are then landed with a bill at 150% of the care's value leaving them with debts many cannot pay. In the face of Covid-19, it cannot be right that undocumented women are fearful of using the National Health Service. This also means increasing the 'firewall' between the NHS and the Home Office.

- Charging for maternity care should be suspended in the immediate term and steps should be taken to exempt maternity care from charging in the medium term.
- No recourse to public funds policies should be suspended for the duration of the crisis and reviewed in the longer term.

School and nursery closures

With schools and nurseries closed it will be impossible for millions of parents to work. This will be a particular problem for lower-paid workers (who are less likely to be able to work from home) and parents of younger children who need care and supervision. It is likely that this will disproportionately impact women, who are more likely to have caring responsibilities and more likely to be the lower earner in heterosexual couples.

The Government has announced that schools and nurseries will remain open for key workers, but it is not yet clear who these will be.

- As well as healthcare and social care staff, key workers need to include frontline workers in women's refuges and other women's

organisations dealing with particularly vulnerable women.

Domestic Abuse

There are serious concerns that self-isolation will increase levels of violence and abuse against women. There is also the issue of enforcing self-isolation in refuges – as in prisons, homelessness shelters and detention centres - where space is short, mental health problems are common and healthcare is patchy.

The cancellation of many charity events such as the London Marathon combined with the withdrawal of individual generosity and funding which is reliant on the stock market could also hit funding of violence against women and girls (VAWG) services hard. The Government must consider these risks in their planning and increase funding to organisations.

- The Government should set up a UK-wide emergency fund to support voluntary organisations providing essential frontline services, following the London Mayor's creation of a £1 million Emergency Support Fund for voluntary organisations in London.

Support for Business

Supporting business through this crisis cannot be extricated from protecting workers jobs and livelihood so measures announced on 17 March are welcome. What is most important is that workers continue to receive payment even if businesses cannot operate. Loans with a three-month repayment period may be insufficient to incentivise businesses to keep paying staff. What is needed is policies to enable businesses to keep paying salaries as in the 'pay' section above.

There is also a need to make sure that information about loans and tax freezes are made available beyond the 'usual suspects' so that women-run businesses know they are able to apply. This also means translating guidance, on all areas not just business support, into multiple languages.

The medium-long term

The crisis has exposed the state of our public services and the precarity of people's lives, especially for women and other marginalised groups. The response to the economic downturn ahead cannot be further austerity.

There will clearly be lessons to be learnt about our readiness to cope with crisis which will surely become more prevalent in the face of the climate emergency as well as, the interconnectedness of our lives. The economy is not an abstract thing that happens 'out there' at the behest of market forces, it is all of us every day. It is care work and it is community. We can do things differently. [The Commission on a Gender-Equal Economy](#) will continue to report in Autumn 2020 and many of the conclusions we hope will enable the economy to become more resilient and compassionate in the future.

UK Women's Budget Group, 19 March 2020

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