

COVID-19: A NEW CHALLENGE FOR GENDER EQUALITY



PERPETUAL
06/08/2020

We've seen the TV commercials – “we're all in this together”. For men and women, however, COVID-19 is having a starkly different impact.

While COVID-19 began as a public health crisis, it's also very much an economic and social disaster, one that research shows to be disproportionately affecting women.

Economic inequality

In a 'typical' economic downturn, the sectors and occupations tied to economic cycles tend to suffer the most, such as construction and manufacturing – industries that are dominated by men.

This time it's different. The current recession has been caused by the need to halt the spread of COVID-19. And it's the face-to-face jobs – an area of the economy where women are more likely to work than men – which have been hit the hardest. In Australia, between March and April this year, around one-in-three hotel, travel and restaurant workers lost their jobs.

Overall, in April 2020 women accounted for 55% of all jobs lost, despite making up only 47% of the workforce in March 2020¹. Women also worked fewer hours and saw a larger fall in the participation rate – that is, more women than men stopped even looking for work.

Other female dominated industries, on the other hand, such as healthcare and education have seen relatively stable employment².

So, what other factors are having an impact on women's jobs?

One important factor is how many people can do their jobs 'working from home'. A study by the National Bureau of Economic Research in the US, found that 28% of men can do their jobs remotely. For women, it's 22%³. The consequence of this is that women's jobs are more at risk simply by lacking the flexibility to work from home.

Women are also over-represented in casual and part-time roles. According to the Australian Bureau of Statistics (ABS), in 2017–18,

44% of employed women and 16% of employed men worked part-time⁴.

As businesses pause trading, employers may have furloughed or cut the hours for casual and part-time staff, making women more likely to be unemployed first. When schools closed, working mums may have chosen to work less – or quit entirely – to care for their families.

What can you do to look after your financial health during COVID-19?

[Find out more](#)

Unpaid care work

Children are home-schooled, there's more to do around the home, and elderly parents are self-isolating. All of this means more work – unpaid work. In some households, men will share the extra burden. In most cases, however, the extra responsibility will fall to the women, even if both partners are working.

While this, in part, reflects the historic gendered division of labour that considers women as primary caregivers, it's also about the practicalities of organising the family time and finances. Many couples, if forced to make a choice, will have had the discussion about whose income and career is most 'flexible' and the lower earner, often the woman, will usually sacrifice hers.

In Australia, unlike some parts of the world, schools have reopened allowing women to [return to the workplace](#). As we have seen recently in Victoria in particular, this is an everchanging situation. With the government's Early Childhood Education and Care Relief Package ending on the 12 July 2020, the need to care for children may delay many women returning to the workforce, even as the economy improves and jobs reappear. This uneven access to jobs, pay and future promotions is an economic impact that risks setting back decades of progress on workplace gender equality.

Women and super

To ease the financial burden of COVID-19, nearly three million Australians have accessed their super early, taking nearly \$28 billion out of the system, according to recent statistics from APRA. Of those 3 million, one million also accessed a second payment of \$10,000 after 1 July⁵.

For women with super aged 25 to 34, the average balance in 2017-18 was \$31,600, according to the ABS⁶. With half of early access requests coming from people under 35, a withdrawal of up to \$20,000 could have a significant impact on an individual's super balance⁷. In some cases, entire super balances are being wiped out⁸.

Early super withdrawals show the difficult reality faced by many Australians, particularly the young, who are suddenly unemployed due to COVID-19. For women, who have been narrowing the super gap with men in recent years, taking super early risks setting back efforts for super equality and could significantly affect their prospects for financial independence in retirement.

With super having such an [important role in retirement planning](#), it is important for younger women to understand what the potential implications of withdrawing super now means for their super balance in the years [ahead](#).

Healthcare workers

Unsurprisingly, one sector where employment has remained relatively stable during the pandemic is in healthcare. And, once again, it's women who are on the frontlines of the crisis.

According to World Health Organisation, 70% of the world's healthcare professionals, including nurses, social and welfare workers and medical scientists, are women⁹. In Australia, that figure is closer to 75%¹⁰.

For healthcare workers who are also mothers and carers for elderly parents, this means finding the difficult balance between work life and their 'second shift' - home life. These women also have the increased stress and worry about transferring COVID-19 to their own families at home.

A silver lining

As we will, inevitably, emerge from this crisis, is there a silver lining for women?

For the future workplace and women, COVID-19 is an opportunity to re-set expectations about workplace flexibility. In America, before the pandemic, around one-in-fifty workers telecommuted. With a lockdown in place, it's now closer to one-in-three¹¹. And now the model has been tried, there will be more opportunities for women to meet the demands of a busy career, while also looking after their family.

For some families, traditional gender roles have already flipped. While women have been on the frontlines of the crisis as nurses or other essential workers, men have been working from home – and looking after the children. When this crisis passes, the increased use of working from home arrangements during COVID-19 may see more uptake of such flexible work arrangements by fathers and

support from employers in the long term.

COVID-19 has had far-reaching impacts on society, our lives and finances. To help you navigate through these challenges and strengthen your relationship with money we have created a dedicated education hub for women called [Financial Acuwomen](#).

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1. The Australia Institute: *Gender experiences during the COVID-19 lockdown* (June 2020)
 2. *ibid*
 3. The Impact of COVID-19 on Gender Equality (www.nber.org/papers/w26947)
 4. Australian Bureau of Statistics, Gender Indicators, Sep 2018
 5. apra.gov.au/covid-19-early-release-scheme-issue-13
 6. ABS 6523.0 - Household Income and Wealth, Australia, 2017-18
 7. thenewdaily.com.au/finance/superannuation/2020/05/25/young-people-super-withdrawal
 8. corporate.amp.com.au/newsroom/2020/MAY/early-super-release-gender-data
 9. who.int/hrh/resources/gender_equity-health_workforce_analysis/en/
 10. Australian Bureau of Statistics (ABS) (2020a), 6291.0.55.003 - Labour Force, Australia
 11. The Economist (June 2020)

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