



# **BRIEFING NOTE:**

THE ECONOMIC IMPACTS OF COVID-19 AND GENDER INEQUALITY RECOMMENDATIONS FOR POLICYMAKERS<sup>1</sup>





COVID-19 is a crisis that demands urgent responses. As the pandemic spreads, a coordinated and integral response to healthcare, care policies and other measures are required in order to mitigate the social and economic impacts of the crisis. Women are often at the front line of health and care response in healthcare centers, social services, communities and households², often ensuring the well-being, care, and resilience of affected persons, the elderly, children, girls and boys and their families. Economic consequences will be far-reaching and will deepen existing inequalities, including in gender inequalities.



To support policymakers at this time, UNDP has identified three interlinked policy areas in which support can be offered:

- Offer 1: Health system strengthening, including procurement and supply chain strengthening
- Offer 2: Inclusive and Multisectoral Crisis Management and Response
- Offer 3: Social and Economic Impact: Assessment and Response.

This briefing note seeks to guarantee the integration of gender equality and women's empowerment in the three inter-linked support areas and provide recommendations to Country Offices and governments in the Latin America and the Caribbean region for the implementation of gender-responsive policy measures to the COVID-19<sup>3</sup> emergency, ensuring that as a final goal no one is left behind. However, it will develop in detail recommendations for Offer 3 regarding the social and economic impacts of the crisis.

In response to the global health, social and economic crises caused by the pandemic of COVID-19, an unprecedented breadth and depth of measures have been taken by local and national governments to minimize spread of the disease. From preventive social distancing to the restriction of movement of people and border closures, to the confinement of entire cities, regions and countries, as well as the temporary closure of formal and informal economic activities. Consequently, daily lives of people have been dramatically disrupted, as well as the economic, social and productive fabric that sustain societies.

The guidelines and recommendations of this Technical Note seek to ensure for that the response to the COVID-19 emergency will be gender responsible thus guaranteeing no one is left behind.

Past experiences faced by countries in other epidemic outbreaks such as the Ebola virus EVD<sup>4</sup>, Zika, MERS, SARS or AH1N1<sup>5</sup> have revealed that the most vulnerable, such as the elderly, people with disabilities, low-income households, households highly exposed to shocks, and



in general informal workers without social protection or any kind of insurance, are disproportionately affected – both by the disease and by government responses to it.

Policy responses to counter the impacts of COVID-19 must incorporate a gender perspective as social norms and cultural patterns are determining factors of the differentiated impacts for men and women.

It is anticipated that the COVID-19 crisis will trigger an economic recession even deeper than the 2008 financial crisis. The global economic decline due to this crisis forecasts an annual GDP growth below 2.5% and an impact on global income of at least 1 trillion US dollars<sup>6</sup>. According to ECLAC, in a moderate scenario Latin America and the Caribbean will see negative growth of -1.8% for the year fueled by the decline in economic activity of trade partners, the drop in commodity prices such as oil, the interruption of global supply chains and the intensification of risk aversion and worsening of global financial conditions. The resultant recession will disproportionately impact the income and employment of the most vulnerable, particularly women. Initial estimates forecast an increase of global unemployment between 5.3 and 24.7 million people, situated in 2019 in 188 million people globally<sup>8</sup>.

Neither analysis of potential impacts from the pandemic nor the policies required in response to it can be effectively completed without the proper integration of a gender perspective. Quite beyond the distinct biological responses brought about by the disease<sup>9</sup>, gender norms and cultural patterns determine the roles women and men play in a society in response to crisis, as well as the differentiated impacts they experience<sup>10</sup>. Conditioning factors associated with the depth of those impacts, are related to violence and insecurity, healthcare responses, access to livelihoods and resources, as well as the social, economic and territorial environment.

Latin America and the Caribbean is the most unequal region in the world, and as such is more vulnerable to a socioeconomic crisis



arising from the spread of COVID-19. Poverty has a gender dimension – and it is becoming more pronounced. While in 2002 for every 100 men living in poor households there were 105 women, in 2017 the number increased to 113 women. Extreme poverty also exhibited a similar trend, from 108 to 116 women for every 100 men, within the same time period<sup>11</sup>. The gender dimension of poverty in the region means that women are relatively more vulnerable to socioeconomic crisis caused by disease.

Women comprise 75% of the health workforce in the world and in Latin America they are 57% of medical personnel ... 9 out of 10 of the nursing professionals are women.

In this context, women in poverty and high vulnerability will be affected, not only by the increase of the care burden and the loss of income for those in informal jobs, but also by the material conditions and infrastructure of their households, neighborhoods and communities. Women and families living in marginalized urban areas and remote rural areas that feature low access to drinking water and sanitation, dirt floors, overcrowded and unhealthy households and communities<sup>12</sup> face difficult challenges in complying with social distancing measures established by governments to contain the spread of the virus. Social distancing policies are difficult to apply in contexts where the effectiveness of the measures designed to prevent the spread of the pandemic are associated with class distinctions and privileges, even in some cases increasing the risk of transmission in precarious and marginalized communities and territories.

Non-remunerated care work has increased as a result of COVID-19<sup>13</sup>. Women and girls are often the primary caregivers at home and in general have more domestic chores and care responsibilities relative to men, spending on average 2.5 times more time in non-remunerated care work. With school closures and rising numbers of infected persons in many countries and the need to care for patients and children at home, the double burden on women will probably increase.





One of the consequences of the quarantine implemented in many countries the wake of COVID-19 has been the increment in the unpaid work for women and girls within their homes.

Migrant women, particularly those involved in domestic care, face a higher likelihood of exposure to the disease. When unable to remain economically active, as a consequence of movement restrictions, for example, they experience a disproportionate loss of income. Unequal power relations and discriminatory social norms may impose additional risks for migrants in contexts where xenophobia and discrimination may prevent them accessing employment. For instance, housing conditions of migrant persons are extremely precarious, since short-stay hotels, shared houses or detention centers for irregular immigrants are usually overcrowded, becoming vehicles for the spread of the virus. Likewise, women refugees face vulnerabilities, especially within the context of human mobility due to violence they face during travel in the region, while women in state prisons and their children face particular challenges due to overcrowding.

The FAO has recognized that "the basis for the vulnerability of women, especially rural and indigenous women to chronic poverty, is found in discriminatory labor markets and the social exclusion of political



and economic institutions"<sup>14</sup>. Changes in markets and consumption patterns caused by COVID-19 could exacerbate the level of vulnerability due to a sudden reduction in demand and markets for the sale of agricultural products, reducing available income. Furthermore, the restriction of movement prevents women from carrying out agricultural and livestock activities and obtaining essential resources for their families (e.g. water, firewood, natural food resources, etc.), putting both their well-being and that of their families at risk.

Similarly, the ILO warns that the **employment crisis derived from the COVID-19** response could disproportionately affect specific groups, and in consequence exacerbate inequality. Among them are those unprotected and poorly paid, in particular youth people, elder workers, women and migrants<sup>15</sup>.

Within the context of the COVID-19 emergency, migrant and refugee women are in a particularly precarious situations as they are exposed to xenophobia, which makes them targets of violence and limits their chances of finding fair employment.

Women comprise 75% of the healthcare workforce worldwide<sup>16</sup>, while in Latin America nearly 57% of doctors and 9 out of 10 nursery professionals are women<sup>17</sup>. An overrepresentation of women as frontline staff in the healthcare sector creates a higher exposure to bodily fluids and lab samples from potentially infected patients. Additionally, women are overrepresented in sectors that have been highly affected by the crisis, such as tourism, transport, entertainment, cleaning and remunerated domestic services. In fact, Latin America is the region that generates more female employment in tourism services and there are nearly twice as many businesswomen in tourism than in any other sector (51%)<sup>18</sup>.

The informal economy poses a particular set of problems for policymakers responding to the COVID-19 crisis. Quarantines, social distancing measures, restriction of movement and closures of business and economic activity may disproportionately affect those individuals and families who derive their livelihood from informal activities, in



particular women who depend in a greater proportion from it. High levels of labor informality are also a persistent reality in the region. In total, 54.3% of women compared to 52.3% of men work informally, while the level of informality for young people is even higher, reaching 60% of the population in working age<sup>19</sup>. Informality translates into low wages, precarious working conditions and the absence of social protection. Nearly 15% of women compared to 25% of men aged 15-65 are affiliated to social security, disproportionately affecting those who live in poverty. Likewise, 83% of remunerated domestic workers, most of them migrant women, face the precarious conditions of informality<sup>20</sup>. In 2017 they represented 14.6% of women workers in Latin America<sup>21</sup> and only a third was contributing to pension systems.

In most countries in Latin America and the Caribbean, current social protection and social security systems do not correspond to the reality of labor markets, nor the socioeconomic and demographic transitions of recent decades. As such they are ill prepared to face the shock of measures required to minimize the spread of COVID-19 or mitigate its impacts.

School closures also endanger the accumulation of human capital of boys, girls and adolescents, despite government efforts to implement distance learning methods. Low internet penetration in urban and rural vulnerable households, as well as low digital skills, especially of women, put at risk educational processes of those learning from home. Likewise, school closures impact the capacity of many girls and boys in positions of vulnerability to receive sufficient nutritional intake, undermining both their health and their long-term human capital.

On top of this, the WHO has clearly stated that gender-based violence is a "global health problem of epidemic proportions". Social distancing policies and mandatory quarantines, which are required to contain the spread of the virus, increase the risk of exposure to intimate partner violence. Research conducted in this field finds four factors that anticipate a rise of violence against women and a potential increase of femicides, and which require urgent responses: 1) the increase in quantity of time shared by perpetrator and victim; 2) the growth of daily conflicts due to family and domestic issues; 3) prolonged violence without interruption by normal daily activities such as shopping, school, family visits, work etc.; and 4) the perceived security and impunity of the perpetrator<sup>22</sup>.



In this context, the urgent need for a coherent and coordinated policy response has revealed a wide array of social and economic measures that have been and can be adopted by countries. These measures seek to protect employment and guarantee the continuity of productive activity, while also protecting the income and the mechanisms available to deal with the crisis of individuals and households, especially in the most vulnerable segments and those at greatest risk of loss of jobs and livelihoods.

Also, some economists have argued that "we now have an opportunity to use this crisis as a way to understand how to do capitalism differently. This requires a rethink of what governments are for: rather than simply fixing market failures when they arise, they should move towards actively shaping and creating markets that deliver sustainable and inclusive growth. They should also ensure that partnerships with business involving government funds are driven by public interest, not profit"23.

The feminist economy and the **gender and intersectionality perspective** seek to place the sustainability of life and solidarity at the center. Thus, **the integration of this perspective is necessary and urgent in the design of social measures and economic packages that respond to the crisis.** This is also an opportunity to promote sustainable long-term investments for universal and resilient health systems, social protection and care systems, as well as the development of active employment and economic recovery policies, with inclusive growth, social inclusion and environmental sustainability at the core. Based on social dialogue and effective governance.

In order to guarantee the integration of a gender equality and women's empowerment perspective in policy packages in response to the COVID-19 crisis, UNDP provides the following recommendations.





Recommendations Offer 124:

# **HEALTH SYSTEM SUPPORT**

The development of inclusive and resilient health systems demands the integration of a gender perspective, one that identifies the differentiated needs of both women and men. Gender responsive recommendations outlined below complement the tools and guidelines provided by WHO and UNDP.

- Ensure the availability of sex disaggregated data and gender analyses, including differentiated infection rates.
- Involve women in all phases of the response and in national and local decision-making processes, especially women's groups that are impacted the most by the crisis, for example women working in the healthcare sector.
- Guarantee that the immediate needs of women working in the healthcare sector are met and improve their access to information, to personal protective equipment and menstrual hygiene and reproductive health products.



- Guarantee as far as possible care support for children, elderly and other dependents of women working in the healthcare sector in order to ensure they can be fully involved in the response to the emergency, for instance, through social solidarity schemes or innovative initiatives such as time banks.
- Develop rapid skilling programs to formalize women in the health and social care sectors.
- Ensure public health messages reach all women and address the needs of women based on their different roles, particularly with regard to promotion, prevention, mitigation and hygiene. Women's organizations at the community level should be supported to ensure that messages on prevention and response strategies reach all women. It is necessary to understand the perceptions that women and men may have regarding the disease and the implications of these perceptions, so the design of the messages and communication strategies are taken into account.
- Non-pharmaceutical responses, like hand washing, use of face masks or social distancing, should take into account gender considerations. Women are more likely than men to adopt these types of practices.
- Take measures to ease the burden structures of primary health care structures and ensure access to sexual and reproductive health services, including prenatal and postnatal healthcare.
- Guarantee the right to access treatment of persons with immune deficiencies, such as those living with HIV. Ensuring provisions of TARV for at least 4 months, instead of 1, preferably delivered at home in order to reduce the level of exposure.
- Adopt measures to prevent and mitigate sexual violence and gender-based violence associated with quarantine and social distancing, ensuring that healthcare staff have the appropriate information and skills to respond to reported situations or refer cases to specialized services.





**Recommendations Offer 2:** 

# INCLUSIVE AND INTEGRATED CRISIS MANAGEMENT AND RESPONSE

A rapid and inclusive management of the crisis to respond to the COVID-19 should be based on coordinated action and integration from different actors, sectors and levels of governance. Past experiences of crisis management during conflicts or disasters have proven that the inclusion of women's voices and concerns in decision making processes increases the effectiveness of the response. Furthermore, crisis management should give priority and rapid attention to persons hardest hit and in positions of greatest vulnerability. Some recommendations include the following:



- Promote women's leadership in policy decision-making processes associated with the response to the pandemic.
- Include Women's Mechanisms (Ministries, Institutes, Commissions) in decision-making processes associated with the response to the pandemic.
- Promote direct consultations, through online platforms or other remote mechanisms, with women's community-based organizations regarding the situation of women<sup>25</sup>, particularly regarding their needs and the appropriate measures to respond to the pandemic, guaranteeing that their opinions, interests, contributions and proposals are taken into account in the response.
- Adopt crisis management measures that prioritize high risk groups, such as elderly, persons with immunodeficiencies (people with HIV, malaria, tuberculosis or autoimmune diseases) or chronic diseases (diabetes, respiratory diseases, cardiovascular problems), persons living in poverty or vulnerable situations, persons in marginalized and vulnerable neighborhoods/territories, homeless persons and persons deprived of liberty (particularly women), single-parent and female-headed households, trans and LGTBI living in poverty or vulnerable situations.
- Adopt measures to guarantee the continuity of distance learning services in coordination with national and sub-national authorities in the sector, guaranteeing that these services reach girls and young women.
- Guarantee the availability of childcare systems and care mechanisms, particularly for orphans and other dependents, to mitigate the effects of the pandemic.
- Ensure that migrant persons have access to secure facilities, especially in borders and vulnerable host communities, that can minimize the risk of contagion and situations of sexual violence and gender-based violence.
- Ensure women in state prisons and their children are in appropriate conditions and allow house arrest when necessary.
- Cross-sectoral digitization of sectors and industries with low or medium digital intensity in order to guarantee the provision of health services (e.g. telemedicine), education (e.g. certification



of skills, educational institutions in remote rural or marginal urban areas), business continuity of micro, small and medium-sized enterprises (e.g. digital invoices, technological equipment, operational digitization), etc.

- Sub-national levels are crucial in the response to the COVID-19 crisis. Coordination between national and sub-national levels that promotes a clear and coherent design of policy responses and takes into account the gender differentiated needs of women and men during the crisis should be encouraged.
- Identify and implement preventative actions in marginalized neighborhoods with scarce and deficient water, poor sanitation, and overcrowding. Take into account the differentiated impacts of the measures taken in urban and rural settings, and in areas with inadequate access to essential services.

#### GBV and VAW Policies in the context of COVID-19

During periods of isolation and quarantine, women can be exposed to their abuser full time. The tensions due to the prolonged living in the private space, added to the uncertainty and anxiety caused by the outbreak of the new coronavirus, may increase the number of cases of violence perpetrated against women. The overload of domestic and care work, in addition to tightening in the family economy, can further increase tensions and favor violent behavior against women, children and older relatives. Violence can also affect the re-entry of women into the labor market and constrain their economic autonomy. Based on these scenarios, the following recommendations are proposed:

- Maintain core operations and health services to assist women victims of violence by ensuring that they have the right to leave their homes to seek help when necessary, even if movement restrictions are enforced.
- Guarantee that public services for victims/survivors such as hotlines
  and shelters adapt their structures to continue providing help in the
  context of a health emergency, guaranteeing a safe environment for
  the persons who use the service and care providers.



- Establish or strengthen emergency numbers that can be reached through messaging apps, reinforcing the safety of victims/survivors and protecting the health of workers during the outbreak.
- Guarantee the continuity of health services within contexts of sexual violence, such as access to abortion services (when allowed by national legislation), emergency anticontraceptive methods and PEP<sup>26</sup>.
- Promote creative communication campaigns that ensure the availability of care for gender-based violence without exposing the victims.
- Ensure the continuity of justice services when mobility of judges and justice personnel is compromised, through digital and remote mechanisms, especially when these services are required to resolve controversies related to intimate partner violence, property settlement, custody, child support or alimony, etc.

Maintaining operations of health and protection services to help women victims of violence is essential so that they can leave their homes and seek help when necessary, even under quarantine.





### **Recommendations Offer 3:**

# GENDER RESPONSIVE COUNTERCYCLICAL MEASURES FOR ECONOMIC STIMULATION, EMPLOYMENT PROTECTION, SOCIAL PROTECTION AND SERVICES AND MAINTENANCE OF PRODUCTIVE ACTIVITY

This policy incorporates the set of measures focused on alleviating the tax burden and social contributions to companies, transfers, subsidies and other compensation measures to specific sectors highly affected by the crisis. A precise segmentation of company ownership, especially those micro, small and medium-sized companies that are owned by women, will allow for more responsive support to be targeted to their particular needs. Tax relief measures for individuals and families are also included.

# **Active fiscal policy**



This policy incorporates the set of measures focused on alleviating the tax burden and social contributions to companies, transfers, subsidies and other compensation measures to specific sectors highly affected by the crisis. A precise segmentation of company ownership, especially those micro, small and medium-sized companies that are owned by women, will allow for more responsive support to be targeted to their particular needs. Tax relief measures for individuals and families are also included.

The following are some of the measures identified to guarantee business continuity:

- Salary supplements for micro, small and medium-sized business.
- Exemption of a percentage or of all social contribution payments according to the size of the company with the commitment to maintain employment.
- Staggered payments of social security contributions.
- Co-finance the contributions to social security of micro, small and medium-sized companies that have had to resort to layoffs of staff or workday reductions due to effects on their sectors.
- Temporary suspension of tax payments, staggered or deferred payments of tax obligations.
- Tax exemption for the sectors hardest hit by the crisis (i.e. tourism, transport, entertainment/orange economy, etc.).

Active fiscal policy gender responsive: classifying the property and size of companies, will help to identify the micro, small and medium-sized businesses that are owned by women, and ensure the support efforts respond to their specific needs.



- Subsidies, transfers or other direct economic support or through a fiscal discount to affected sectors, prioritizing those sectors that guarantee internal goods supply and job creation, while taking into account the horizontal segregation of the labor market.
- Enable the use of budget surpluses from previous fiscal years for public social investment or stimulus to face the crisis.
- Reduced taxes and tariff rates on essential products and medical supplies that guarantee a continuous supply for health services, households and raw materials for productive activities.
- Control of prices of the basic food basket, as well as massive health supplies (face masks, alcohol gel and disinfectants) to respond to COVID-19.

Tax relief measures for individuals and families include:

- Deferred or staggered tax payments with specific moratorium periods for the self-employed and for people who have lost their job, reduced their workday or that their contracts have been temporarily suspended.
- Moratoriums for the payment of social security contributions for the self-employed and for people who have lost their job, reduced their workday or have had their contracts temporarily suspended.

# Monetary and exchange rate policy and capital markets

These measures are aimed at increasing liquidity in the economy ensuring the financial system has the capacity to channel credit to finance productive activity. It also includes measures to protect businesses from speculative practices in the capital markets. Interest rate reductions to ensure the highest liquidity of the financial system:

- Purchases of insured mortgages to provide higher liquidity to the mortgage market.
- Broaden targeted liquidity provisions for the financial system.
- Broaden eligible collaterals.
- Purchase of bonds in the secondary market.



Empowered live

- Guarantees to incentivize credit operations targeted to small and medium-sized business
- Guarantees or incentives to small and medium-sized farmers.
- Ban Foreign Direct Investment (FDI) in strategic industries to prevent investors from taking control.
- Ban short selling in the capital market for a determined period of time, to prevent investors from betting on a decline in stock value.
- Regulatory exchange rate measures to limit the exposure to losses
  of importers as a consequence of exchange rate variations and
  the uncertainty of international capital markets.
- Broaden the discount window lending and the utilization of budget surpluses from previous fiscal years to finance national and subnational response funds on social investment, health, essential services and the adoption of economic relief measures.

# Policy of financial stimulus and relief

This includes all the financial liquidity measures to finance working capital or other targeted lending mechanisms, guarantee schemes and insurances, as well as financial relief measures to protect individual income. The inclusion of the gender perspective in policies of financial support should break formal and informal barriers that prevent women from accessing credit and financial services, due to collaterals and physical guarantees (such as real state property, land or equipment) and level of income.

Suspension and moratorium of credit and insurance products for people without jobs, who have reduced their working hours or who have had their contracts suspended temporarily as result of the crisis.

# U N D P

### Measures targeting businesses:

- Payment deferral for financial obligations and re-financing schemes without affecting the agreed financial conditions for the sectors hardest hit by the crisis, especially micro, small and medium-sized business.
- Targeted lending mechanisms with special lines of credit to finance the working capital needs of sectors highly affected by the crisis. Ensure the design of specific preferential terms for the micro, small and medium-sized business, as well as differential terms to women-owned business.
- Subsidized interest rate programs for micro, small and mediumsized business and companies with idle capacity.
- State-backed guarantee programs for loans with limited or unlimited liquidity assistance, including the coverage of financial and tax obligations.
- State-backed guarantees to cover the renewal of loans.
- Increase state-backed guarantees to reinforce liquidity of exporters.
- Finance the reduction of working hours of companies affected by the crisis, through the public compensation of a percentage of the wage net loss.
- Repurpose funding lines from development finance institutions to ensure they also cover liquidity needs.
- Special lending and leasing mechanisms to finance digital and technological equipment, with preferential terms for micro, small and medium-sized business, to guarantee business continuity, connectivity and telecommuting arrangements.
- Special insurance schemes for the hardest hit sectors such as tourism and transport.

Expansion or ad-hoc payments, targeted transfers or extraordinary bonuses for workers, including informal, occasional, seasonal or migrant and / or independent workers.

# U N D P

### Financial relief measures to protect income:

- Temporary suspension of mortgage payments with specific moratorium terms, for unemployed persons, employees with reduced working hours or with temporary suspensions of contracts due to the crisis, as well as the self-employed. It is important to ensure that the initial conditions agreed with financial institutions remain unchanged, additional collaterals are not requested, and additional fees are not charged.
- Measures to re-finance or re-negotiate mortgage payments for individuals and families affected by the crisis, people that have lost their jobs, employees with temporary suspensions of the contracts or reduced working hours, and the self-employed.
- Temporary suspension of loan and insurance payments, with specific moratorium terms, for individuals and families affected by the crisis, people that have lost their jobs, employees with temporary suspensions of the contracts or reduced working hours, and the self-employed.
- Ensure that persons with re-financed payments and those included in moratorium terms are not reported to credit bureaus.

# **Social protection policy**

These measures include those aimed at extending social protection policies, ensuring cash transfers, subsidies and pensions, as well as social security schemes addressing the most vulnerable populations, such as the elderly, informal workers, remunerated domestic workers, families in poverty situation or at high risk of falling back into poverty with dependent family members. Some measures include the following:

Ensure that employment policies promoted for the private sector are also extended to informal workers and paid domestic workers in particular.



- Extension of Conditional Cash Transfers (CCT) to people living in poverty or at risk of falling back into poverty and those performing informal economic activities.
- Extension of coverage of non-contributory pensions for the elderly.
- Increase of bonuses for minimum contributory pension for the elderly.
- Guarantee the right to access pensions even when the qualifying time has been affected by temporary suspension of contracts or working day reductions.
- Broaden food policies targeting primarily the elderly, pregnant women, girls and boys and youth.
- Extension or increase of ad-hoc targeted payments, bonuses and targeted cash transfers for workers, primarily informal, casual, seasonal and migrant workers and the self-employed.
- Extension of coverage of unemployment insurance schemes, ensuring the access even when the minimum qualifying time has not been reached.
- Ensure alimony or child support is paid to entitled children when either the father or mother cannot fulfill the obligation due to unemployment or loss of income.
- · Guarantee of universal paid sick leave to all employees.
- Extension of social aid packages primarily in marginalized urban areas.
- Vouchers for food and essentials purchases for families

# **Employment policies**



This includes measures aimed at protecting and supporting labor demand and retaining employment (such as reduced working hours, paid leave and other subsidies), as well as policies targeting the informal sector. Some measures include the following:

- Extension of employment policies targeting initially the formal sector to cover informal workers in general and domestic workers in particular<sup>27</sup>.
- Promote employment retention schemes, including short-time work arrangements.
- Develop unemployment benefits and other time-bound support schemes for businesses, such as wage subsidies.
- Subsidized and temporary tax relief schemes over the payroll and staggered or temporary suspension of social security contributions.
- Provision of paid leave and extension of entitlements of workers, subsidies and other related schemes.
- Promote the retention of the gig economy and online platforms jobs (due to social distancing policies) and the promotion of decent work.
- Minimum wage policies<sup>28</sup>. In Latin America and the Caribbean the gender wage gap is driven by gender pay gaps at the bottom of the pyramid of wage distribution. A well-designed minimum wage policy has important implications to the overall wage policy, since it works as an effective wage floor, in particular for remunerated domestic workers.

Licensing and care policies for children and/or other sick relatives tend to mitigate the effects of the demands of paid and unpaid work.



- Non-deductible time-bound state-backed guarantees of paid leave.
- Public employment schemes as part of more comprehensive recovery packages to address or after the pandemic, based on training and rapid skilling programs. These schemes promote the rapid generation of income of low-income women and are based on infrastructure development as well as the provision of health, care and other social services.
- Development of programs to stimulate labor demand, based on benefits targeting businesses and state-owned enterprises in order to retain female workers and promote the inclusion of women. As well as public procurement programs targeting women-owned businesses.

## Care policies and shared responsibility

These measures are aimed at recognizing, reducing and redistributing the burden of non-remunerated care work that is primarily borne by women as primary caregivers as a consequence of patients care at home, school closures, care of the elderly, social distancing measures and mandatory quarantines. Some measures include the following:

 Leave policies to take care of children, the sick and other dependents to mitigate the effects of the overload of remunerated and non-remunerated work. In a region with a wide informal sector and within the context of the COVID-19 pandemic these tools should be extended to informal workers. Consequently, a broader coverage and support to economic business activity will require public contributions.

In a region with an extended informal sector and in the context of COVID-19, expanding the coverage of the instruments suggested in this Technical Note to informal workers, through state disbursements as well as providing support to the private sector is vital.



- Additional bonuses, subsidies and vouchers to hire childcare services for workers unable to telecommute.
- Adapt public, private and community care services to relieve the burden of care responsibilities of women. Among others, the visits to care for children, persons with disabilities, older persons, and other care dependents, or the alert buttons for specialized care.
- Development of community-based time banks aimed at donating time for the care of others.
- Communication campaigns for the promotion of shared responsibility of parenting, domestic chores and care work within the households.

# Policies to guarantee access to essential services

- Ensure the provision of essential services such as water, electricity
  and gas to families unable to pay the bills, as well as the provision
  of other services to guarantee digital and internet connectivity,
  teleworking and other remote modes of working.
- Time-bound suspension of payments for essential services such as electricity, gas and water, to highly vulnerable families and groups.
- Reconnect suspended essential services such as water, electricity and gas to the most vulnerable families and groups.
- Extend the coverage of essential services such as water, electricity and gas in highly vulnerable and marginalized areas.
- Freeze of tariffs for essential basic services such as water, electricity and gas.

Within the context of the COVID-19 emergency, migrant and refugee women are in a particularly precarious situations as they are exposed to xenophobia, which makes them targets of violence and limits their chances of finding fair employment.

### **NOTES**

- 1. Prepared by the UNDP Gender Area for Latin America and the Caribbean based on recommendations made by UNDP and other UNS Agencies (WHO, UN Women, ILO, UNCTAD), IFIS, and research on responses in health emergencies, as well such as the current anti-cyclical packages of economic measures put in place by the countries until March 26, 2020. This briefing note was reviewed by the HIV and Health and the Inclusive Growth and Development RBLAC clusters, as well as by Argentina, Chile and Costa Rica UNDP Country Offices.
- 2. ILO estimates that 58.6 percent of employed women work in the service sector worldwide, compared to 45.4 percent of men. Women also have less access to social protection and will have a disproportionate burden on care responsibilities, in the case of school closure or care facilities (ILO, 2018)
- 3. The virus is the SARS-CoV-2: Severe Acute Respiratory Syndrome CoronaVirus 2.
- 4. During the Ebola EVD crisis from 2012 to 2014, 11,310 people died. The women had a greater exposure to the disease attributed to nursing patients at home and also to the tasks of preparing the deceased in preparation of ritual funerals, exposing them to a greater extent to bodily fluids and other transmission vectors. For their part, men were more exposed to the disease due to their livestock care responsibilities and the time they spend away from home <a href="https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5635524/pdf/40249\_2017">https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5635524/pdf/40249\_2017</a> Article 346.pdf
- 5. EVD Ebola Virus Disease / MERS Middle East Respiratory Syndrome / SARS Severe Acute Respiratory Syndrome / H1N1 Influenza A (H1N1). For more information please visit <a href="https://www.who.int/">https://www.who.int/</a>
- UNCTAD (2019), The coronavirus shock: a story of another global crisis foretold and what policy makers should be doing about it.
- 7. ECLAC (2019), COVID-19 Global, Regional and National Impacts 13 March 2020.
- 8. OIT (2019) COVID-19 and world of work: impacts and responses 18 March 2020.
- 9. THE LANCET: <a href="https://www.thelancet.com/journals/lancet/">https://www.thelancet.com/journals/lancet/</a> article/PIIS0140-6736(20)30526-2/fulltext
- 10. It is documented that during the 2014-2016 Ebola outbreak in West Africa that fears of contracting the disease resulted in fewer women attending health services. Davies & Bennett, "A Gendered Human Rights Analysis," International Affairs Davies & Rennett.

- 11. ECLAC (2019), Women's autonomy in changing economic scenarios (LC / CRM.14 / 3), Santiago.
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- 24. Recommendations based on the document prepared by UN Women for the region. <a href="https://lac.unwomen.org/es/digiteca/publicaciones/2020/03/covid-como-incorporar-a-las-mujeres-y-la-igualdad-de-genero-en-la-gestion-de-respuesta">https://lac.unwomen.org/es/digiteca/publicaciones/2020/03/covid-como-incorporar-a-las-mujeres-y-la-igualdad-de-genero-en-la-gestion-de-respuesta</a>

- 25. Incluyendo mujeres urbanas y rurales, mujeres en todo su ciclo de vida, incluidas consultas a niñas, adolescentes y jóvenes, mujeres con discapacidad, mujeres LGBTI, mujeres que viven con VIH, mujeres indígenas y afrodescendientes y mujeres migrantes.
- 26. Post-exposure prophylaxis.
- 27. Example: https://domesticworkers.org/coronavirus-care-fund.
- 28. In Latin America, the gender wage gap is mainly driven by wage gaps at the lower level of the wage distribution. This has important salary policy implications as a well-conceived minimum wage policy with broad legal coverage and improved compliance with the minimum wage could reduce the wage gap between men and women. (ILO 2019)

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#### April 2020

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