

**Supplementary written evidence from Dr Duncan Brown,  
Institute for Employment Studies (CVG0045)**

Further to the written evidence which I provided on behalf of the Institute of Employment Studies (IES) earlier this year to the Committee, and the oral evidence I gave at their meeting on October 14th, I wanted to provide supplementary and updated evidence on the following two matters that I regard as also relevant to the Inquiry: labour market developments and the decline of female workers; and the relevance of existing legislative proposals to addressing a number of the issues of inequality raised in this Inquiry.

**Labour Market Developments and women**

I mentioned in my oral evidence that almost 90% of the 490,000 fall in employment in the first six months of 2020 evident in ONS figures is part-time jobs, and most of this majority female population is going into economic inactivity. This is covered in the IES briefing paper on the labour market statistics that IES director Tony Wilson wrote recently (appendix 1); see figure 2 and the gender breakdown in figure 3. We think a reasonable hypothesis for this population is that it comprises of a combination of two groups:

- part time/zero hour contract (ZHC)/agency low paid workers, who are easier in practice to lay off than full-time, better-paid men, or even to go through the administration of furloughing them;
- and better-paid women who were just about coping with their part-time work and children before the pandemic, but home-schooling etc during lockdown has driven them to give up working.

On the latter women being forced by lack of childcare etc to drop out of the workforce point, a similar situation seems to be occurring in the US, with over 800,000 women dropping out of the labour force there last month alone (vs 200,000 men) – see <https://www.nytimes.com/2020/10/03/us/jobs-women-dropping-out-workforce-wage-gap-gender.html?smid=tw-share>. Tony Wilson's analysis in appendix 1 (WEU absence from work stats) of those in the UK not working normally i.e. temporarily away from work or working fewer hours, shows that both for employed and self-employed women, the impact of the pandemic has been much more significant for women than for men in terms of the hit on their working hours/pay. The national gender pay gap is almost certain to rise as a result.

The former population of low paid/low power female workers already apparently prioritised in redundancy exercises is possibly even more concerning, especially with the number of redundancies now increasing and likely to keep on increasing for the rest of this year, despite the belated extension of the furlough scheme. I would refer to the [interim report](#) for IES's current research project funded by the Standard Life Foundation of the impact of the pandemic on low paid workers. To quote from our findings:

*Some of those who worked on-demand via agencies, such as domiciliary care workers, saw a significant reduction in the hours they were being offered during lockdown. Others, usually working part-time hours and on zero-hours contracts, were made redundant from their job. Several asked their employer why they had made this decision and why they were not being furloughed. The reasons given varied and included their **employer questioning their eligibility for the JRS** (despite working for their employer several months prior to lockdown), **and being unable to calculate their furlough entitlement due to losing records of their employment from the past year**. Interviewees recalled being extremely angry with this*

*response, and in some cases believed they had been misled by their employer so that they could avoid the administration involved in applying for the JRS.*

When we asked them about what additional support they would value these low paid employees told us:

*A wide variety of recommendations were put forward, including better awareness of workers' rights and legal protection in context of COVID-19; greater assistance with job searches, retraining and childcare for those currently unemployed; and a range of financial support measures, from access to free financial advice services to further raising Universal Credit standard allowance.*

This list is similar to some of the additional support required which all three witnesses who appeared before the Committee on 14 October referred to.

Although this research is only involving 40 households, I think other data reinforces the general applicability of our findings, and reinforces the need for greater awareness of employment rights and legislation, as well as new protections, for example for pregnant women. A recent survey by ACAS, who should be a key source of information on employment rights, found that 25% of employers were unaware of basic redundancy legislation such as minimum employee notice periods, never mind more detailed aspects such as the priority protection for those on maternity leave-

<https://www.peoplemanagement.co.uk/news/articles/quarter-of-firms-unaware-of-redundancy-consultation-legalities>.

### **The Relevance of Existing Legislative Proposals**

Perhaps my key point to the Committee last month was that in a number of areas what is required to better protect women and reinforce progress on more equal pay and representation already exists somewhere in the government proposals/legislative process; and so pursuit by government through to implementation, rather than developing lots of new legislation, is required .

This is particularly the case in terms of the government's 2018 Good Work Plan <https://www.gov.uk/government/publications/good-work-plan> which promises amongst its 50 odd proposals adopted from Mathew Taylor's 2017 report:

- Strengthened labour market enforcement from a new more powerful single agency (also see the [just published report](#) on implementing this, which we wrote for the Chartered Institute of Personnel Development. This includes modelling international examples of better funded and more powerful agencies, where for example, inspectors would have the initial decision on employment status and disputes over pay and conditions, with only appeals heard by a tribunal. The Women and Equalities Committee, in a report last January, also highlighted the terrible state of the enforcement of equal pay legislation by the EHRC and the growing delay in tribunal hearings occasioned by the pandemic will be making this even worse;
- A right to flexible work rather than the existing right to request it;
- Rights to request stable working hours after a minimum period in employment/on a ZHC (like McDonalds have)
- Better regulation and shared employer responsibility for abuse in supply chains - the British Retail Consortium this week estimated that up to 10,000 female garment

workers in Leicester are continuing to be paid well below the legal NLW minimum, robbing them of some £27 million since July, and proposed a ‘fit to trade’ licensing scheme of the type already used for car-washing;

- Increased company reporting disclosure eg parental support policies
- Clarifying the employment status situation between employee/worker/self employed, with the Uber case about to help with that, and the chancellor having hinted that the enhanced protection for the self employed in the pandemic would need to be funded by more closely aligning taxation between employed and self-employed populations.

Consultations have been held on a number of these issues already, but we still await signs of the promised Employment Bill which I understand is supposed to be progressing at least some of them.

Other legislation which the pandemic has highlighted the need for includes:

- The pregnancy and maternity redundancy protection bill put forward as a private members bill by the committee’s former chair Ms Maria Miller MP – obviously vital for the government to support and enact as redundancy levels escalate;
- The improved equal pay bill proposed by Ms Stella Creasey MP on October 20<sup>th</sup> - <https://services.parliament.uk/bills/2019-21/equalpayinformationandclaims.html>. IES would also like to see extended as well as re-instated gender pay reporting, with a recent analysis by the Fawcett Society of gender pay reporting requirements in 10 European countries finding an average minimum size reporting threshold of 50 employees (ours is currently 250, except in the public sector in Scotland and I think Wales too) and most requiring published action plans (and some countries progress against these).

And in terms of using existing legislation rather than having to develop anew, while it took seven years to finally implement the gender pay reporting provisions in the Equal Pay Act of 2010, the Committee might also want to recommend that to celebrate 10 years since that Act, parliament finally implements Section 106 of the Act which mandates political parties to publish diversity data for their candidate and MP selection processes.

Finally:

- I also refer to the excellent [recent report from UN Women](#) I referred in my oral evidence comparing gender responses to the pandemic in 206 countries; although it highlights the general ignorance of gendered issues except on the violence front, there are some great examples of actions in there that the UK might want to consider in social and employment affairs. The report highlights actions recommended by the UN in six areas:
  - o Protect women’s health and well-being, including ensuring access to sexual and reproductive health services;
  - o Introduce economic support packages for vulnerable women and measures to confront women’s increasing time and income poverty. This includes efforts to recognize, reduce and redistribute the increased burden of unpaid care and domestic work;
  - o Address the pandemic’s economic impacts and the devastation of jobs and livelihoods. Eliminating inequality in the labour market is more urgent than

- ever, including to address occupational segregation, gender pay gaps and inadequate access to affordable childcare;
- Close glaring gaps in social protection. In response to the pandemic, only 54 out of 195 countries and territories have introduced new or amended social protection measures targeting women and girls. Many more are needed;
  - Prioritize prevention and redress of violence against women and girls in COVID-19 responses and ensure that services are deemed essential and remain accessible and adequately funded;
  - Improve gender data collection and expand research on the gendered impacts of COVID-19.
- I know that the Committee has already considered social care issues, but in this article <https://www.incomesdataresearch.co.uk/resources/viewpoint/applause-is-not-enough-but-just-how-do-we-properly-reward-our-care-workers> I recommend a straightforward solution for many of the staff issues evident in care, which would be to adopt a parallel national structure for pay and conditions to the NHS Agenda for Change for care workers, at a likely cost of £1.7 billion according to IFS estimates; the Liberal Democrats have now adopted this as their party policy, rather than just moving all care staff to the real living wage minimum;
  - IES has already researched reasons for the low take-up of shared parental leave by fathers for the GEO <https://www.employment-studies.co.uk/resource/rapid-evidence-assessment-parents-decisions-about-returning-work-and-child-caring> ; and we support the introduction of shared parental pay, as in Germany, and possibly additional requirements, such as the Swedish ‘use it or lose it’ approach, in order to encourage a greater sharing of parental responsibilities (we heard at the oral hearing how the pandemic appears to be worsening the existing gender imbalance if anything).
  - A piece I wrote at the weekend summarising my emphasis on the need for action rather than more proposals and consultations by government <https://www.linkedin.com/pulse/brave-new-world-policies-more-gender-equal-economy-society-brown/> .

Do of course come back if you need anything further and thanks again for involving IES in your vitally important work. I was delighted to see this Inquiry had been set up so swiftly after lockdown and I hold out high hopes for your report’s impact in securing greater attention to the unequal gendered impact by this government.

November 2020

## **Appendix 1**

## Labour Force Survey

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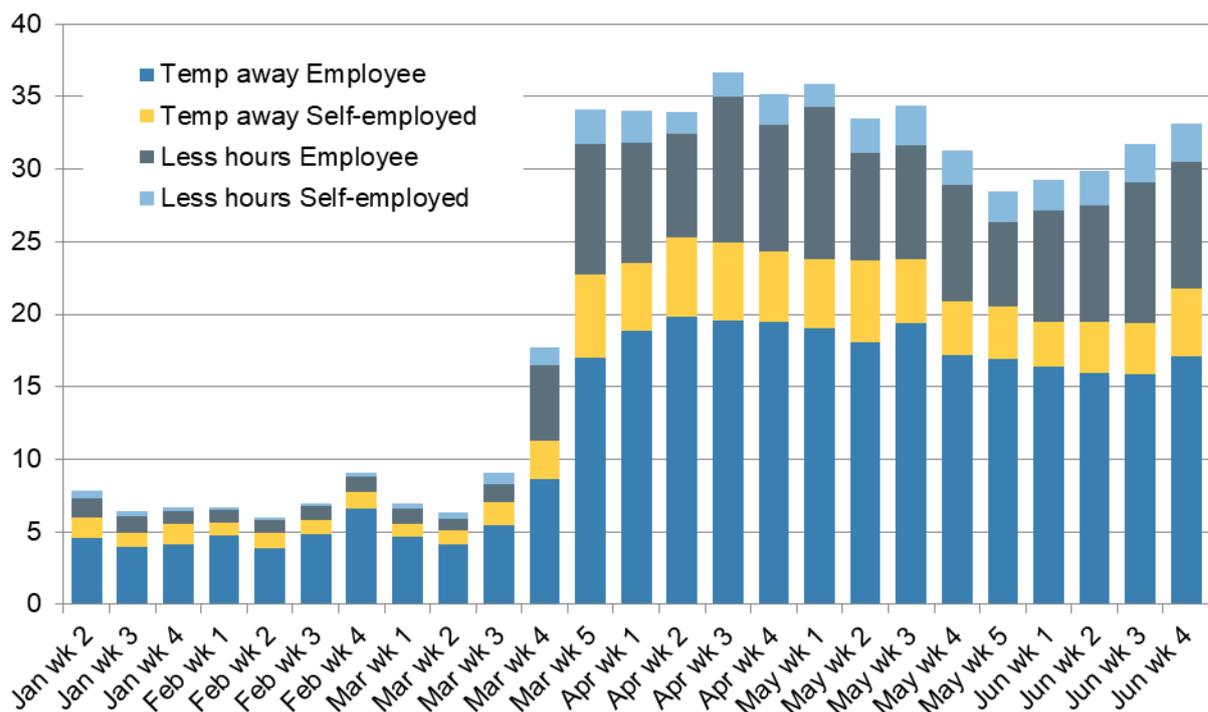
### Impact of lockdown on working patterns

Figure 1.1 shows the proportion of the total workforce who were not working normally – either through being temporarily away from their work, or by working fewer hours than usual due to economic circumstances or other non-standard reasons.

The proportion jumped from just under one in ten in the 3<sup>rd</sup> week of March to just over one in three in the last week of March, and has fluctuated around that level since then – reaching a high of 37 per cent in the 3<sup>rd</sup> week of April, and a low of 28 per cent in the last week of May.

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**Figure 1.1 Proportion of workers not working normally by week, UK**



Source: *Quarterly Labour Force Surveys, Jan-Jun 2020*

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The ratio between employees and self-employed among those not working normally has remained broadly stable, with employees making up about four fifths of the total.

## Personal characteristics

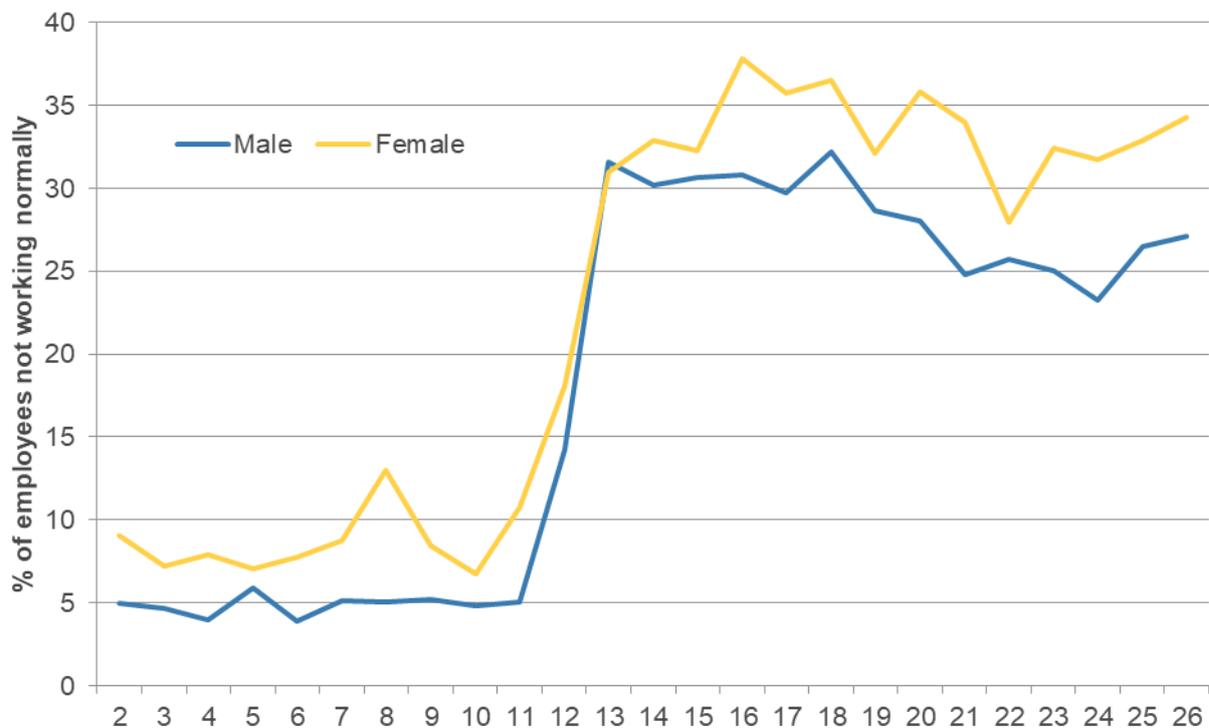
### Gender

Rates of being temporarily away from work or working fewer hours were higher among women than among men.

Looking first at employees, during the first two weeks of lockdown the proportions of men and women not working normally were similar, although since then a gap has emerged, most likely as women took more responsibility for childcare while schools were closed.

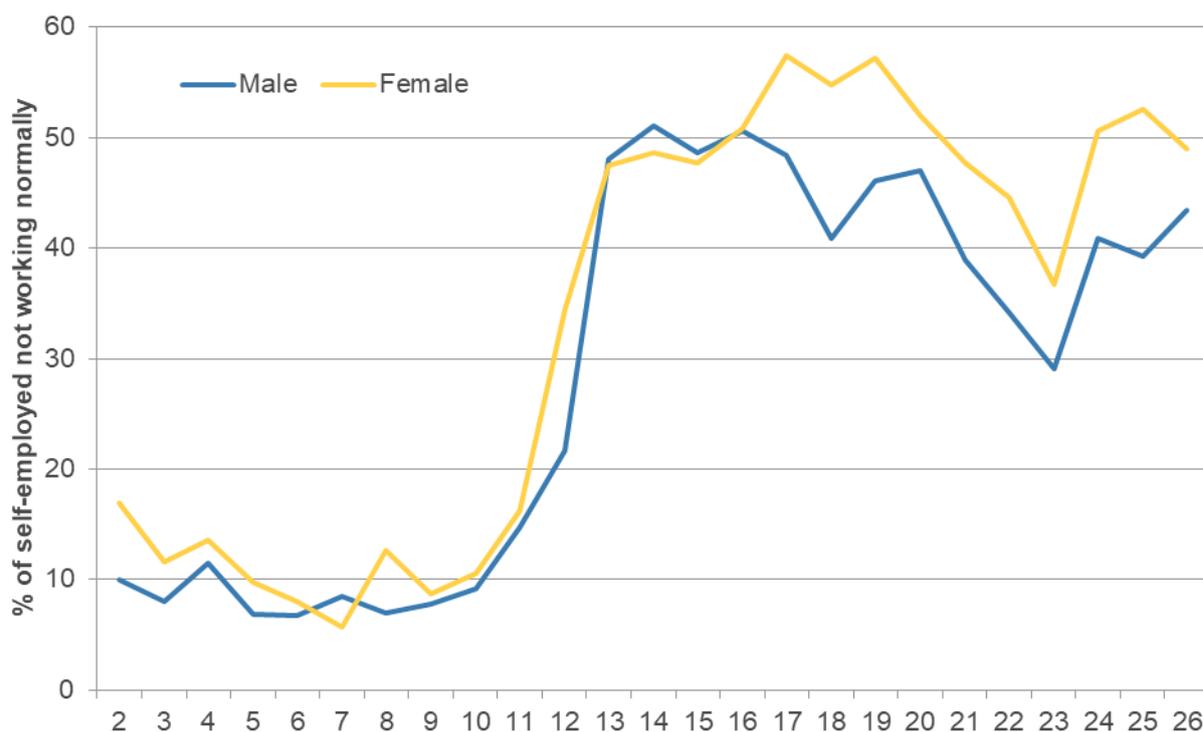
Among the self-employed, the trends were similar until the end of April (week 17) and then the proportion of women not working normally was higher than the proportion of men.

**Figure 1.2 Proportion of employees not working normally by gender and week, UK**



Source: *Quarterly Labour Force Surveys, Jan-Jun 2020*

**Figure 1.3 Proportion of self-employed not working normally by gender and week, UK**



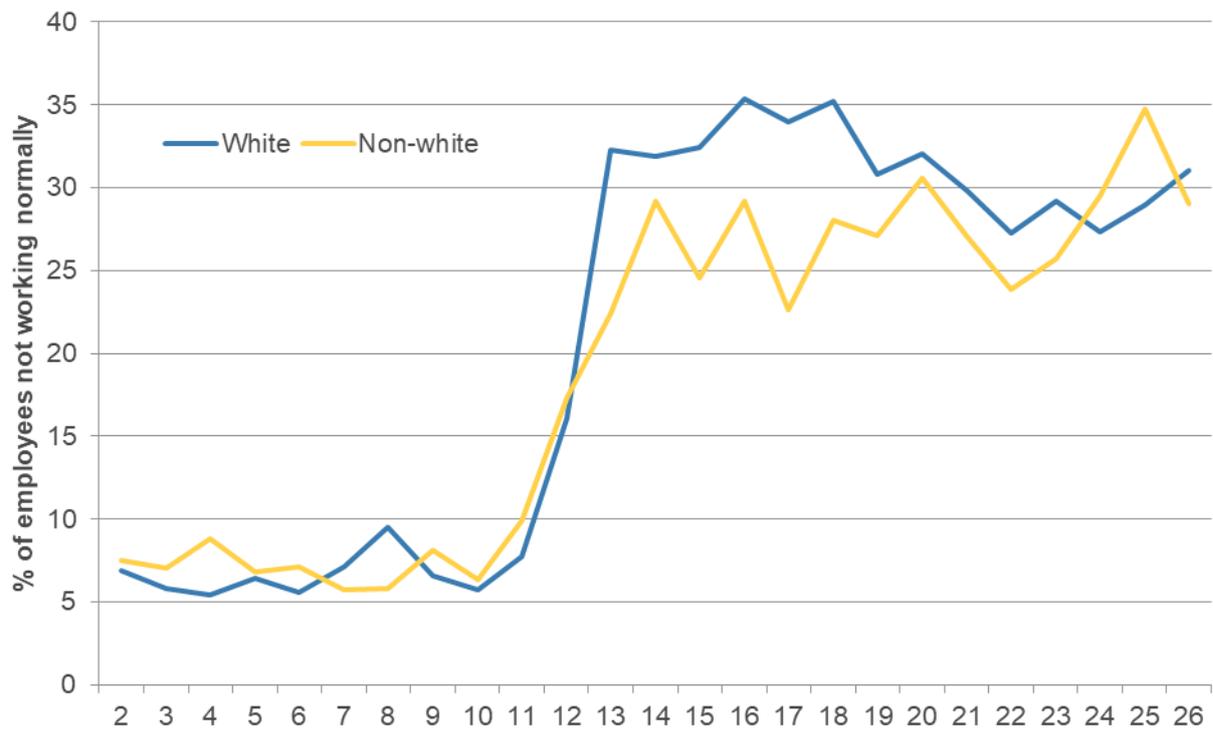
*Source: Quarterly Labour Force Surveys, Jan-Jun 2020*

### **Ethnicity**

The proportion of non-white employees who were not working normally has generally been below the proportion of white employees, as the Figure 1.4 shows. The gap was generally larger in the earlier weeks of lockdown, and in the 3<sup>rd</sup> week of June the proportion of non-white employees not working normally was above the proportion of white employees.

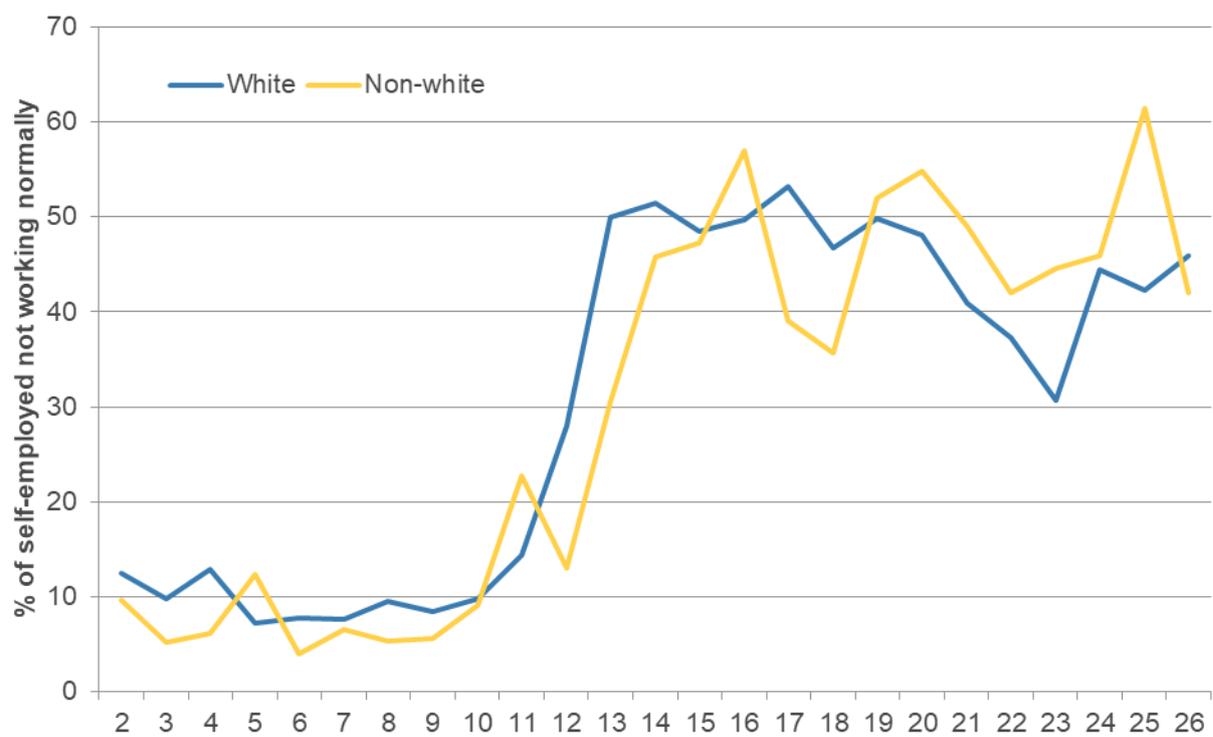
The patterns among self-employed workers were more erratic, although for most of May and June the proportion not working normally was higher among non-white self-employed workers than among white self-employed workers.

**Figure 1.4 Proportion of employees not working normally by ethnicity and week, UK**



Source: Quarterly Labour Force Surveys, Jan-Jun 2020

**Figure 1.5 Proportion of self-employed not working normally by ethnicity and week, UK**



## Disability

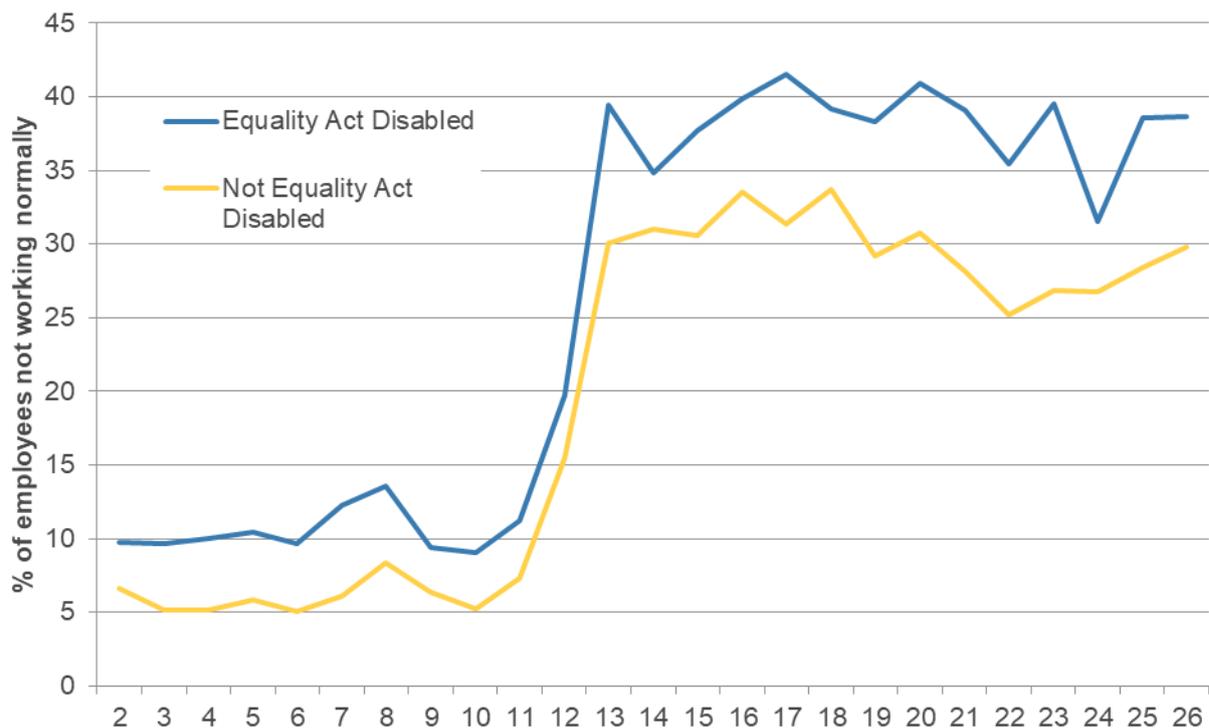
The analysis by disability uses the Equality Act definition of a long-term impairment which affects the ability to carry out day-to-day activities.

The proportion of employees with disabilities who were not working normally was consistently above the proportion of their non-disabled counterparts, with the gap averaging around 10 percentage points.

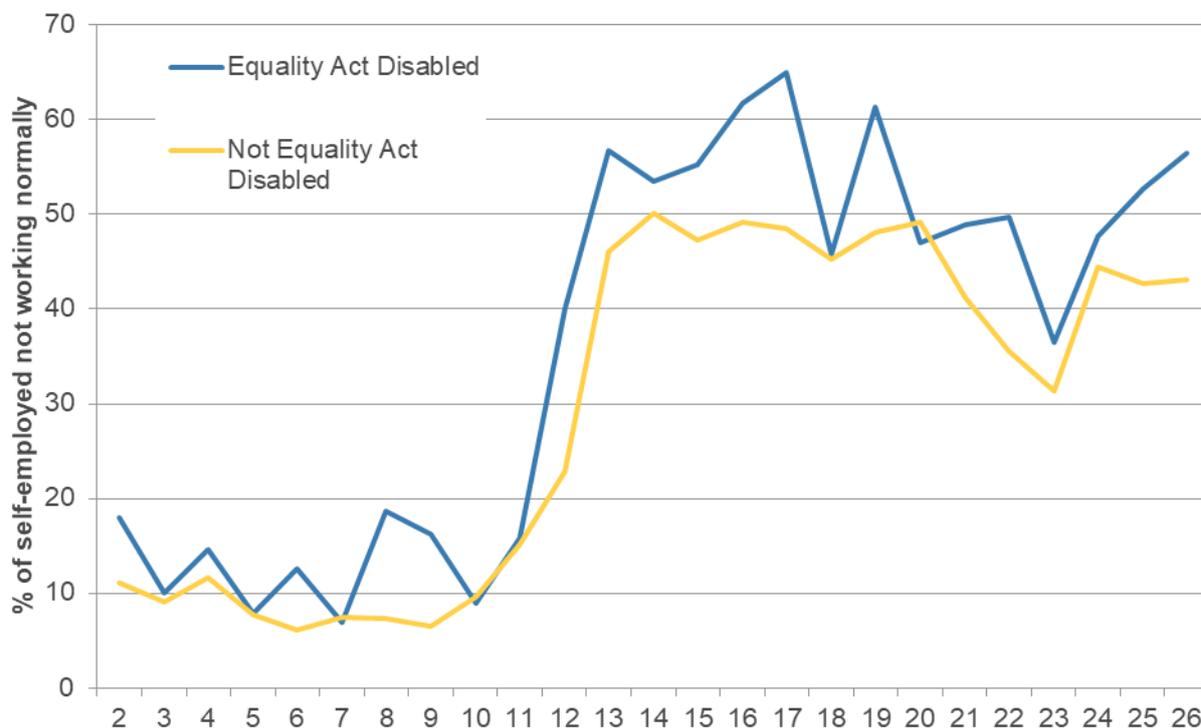
The picture among self-employed workers is more erratic, but again the proportion of disabled self-employed workers not working normally was above the proportion of non-disabled self-employed workers.

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**Figure 1.6 Proportion of employees not working normally by disability and week, UK**



**Figure 1.7 Proportion of self-employed not working normally by disability and week, UK**



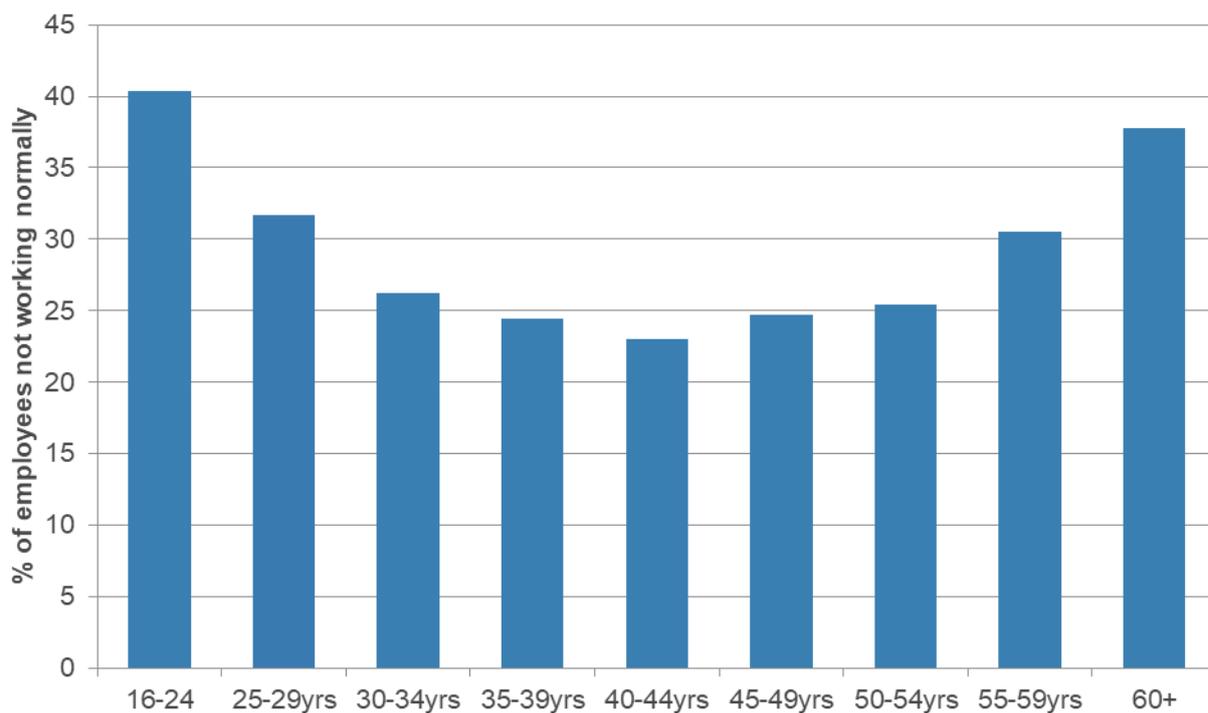
*Source: Quarterly Labour Force Surveys, Jan-Jun 2020*

## Age

Figure 1.8 shows the proportion of employees not working normally in June 2020 by age. There is a clear pattern of the youngest and oldest employees being most likely to not work normally, by being temporarily away from work or working fewer hours, and nearly twice as likely as those aged 40-44 to be not working normally.

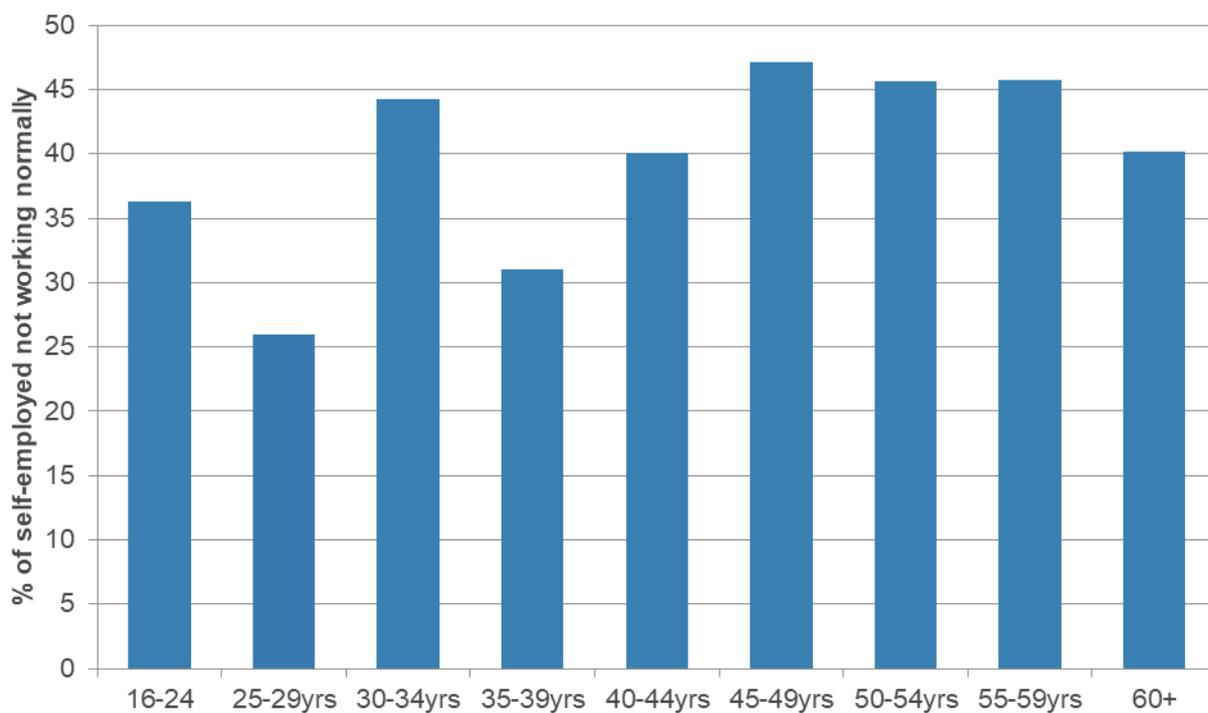
However, a slightly different pattern emerges when looking at self-employed workers. Here the proportion not working normally is lowest among the younger aged groups – those under 30 and those 35-39 in particular – and generally higher among the older age groups.

**Figure 1.8 Proportion of employees not working normally by age, June 2020, UK**



*Source: Quarterly Labour Force Surveys, Jan-Jun 2020*

**Figure 1.9 Proportion of self-employed not working normally by age, June 2020, UK**



Source: Quarterly Labour Force Surveys, Jan-Jun 2020

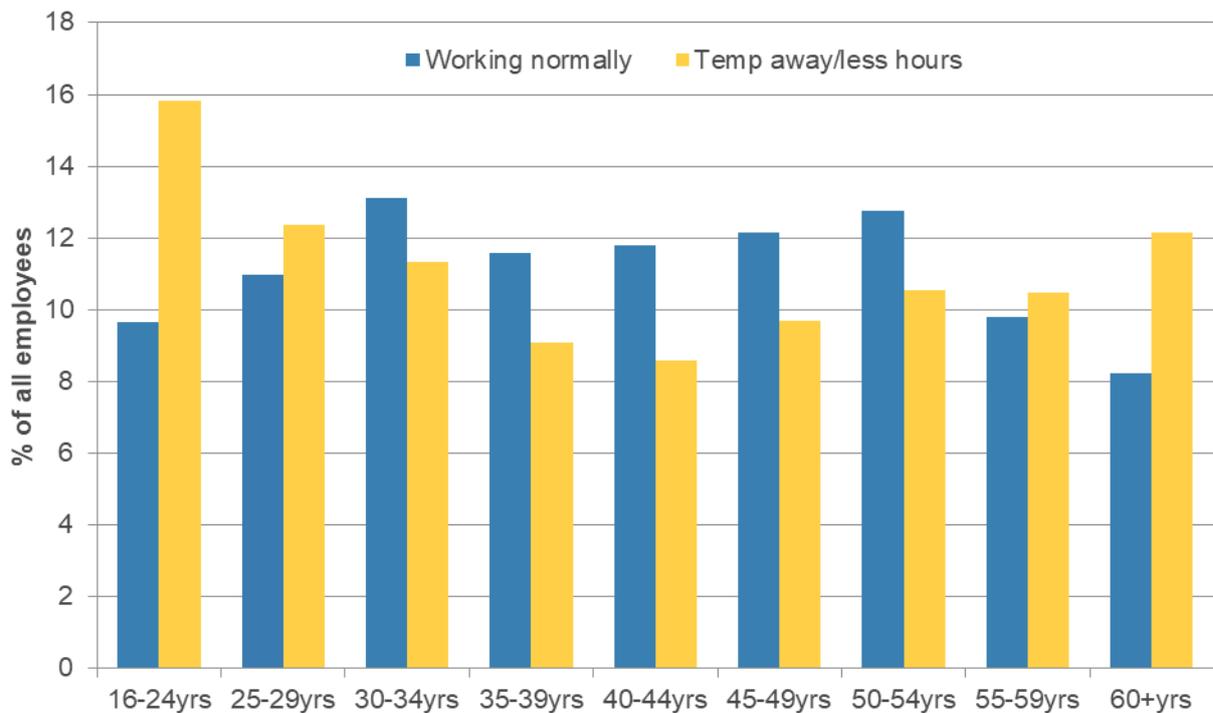
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Figure 1.10 shows an alternative way of looking at the data, and shows the proportion of employees working normally, or not working normally, by age group. The youngest (< 30) and oldest (55+) age groups are over-represented among those not working normally, and account for 51 per cent of all those not working normally, compared with 39 per cent of those working normally.

The patterns are less stark among the self-employed, and the overall age distribution is very different and skewed towards the older age groups as self-employment rates increase with age. Those aged 45-59 have the greatest over-representation of those not working normally – this age group accounts for 47 per cent of all those not working normally compared with 39 per cent of those working normally.

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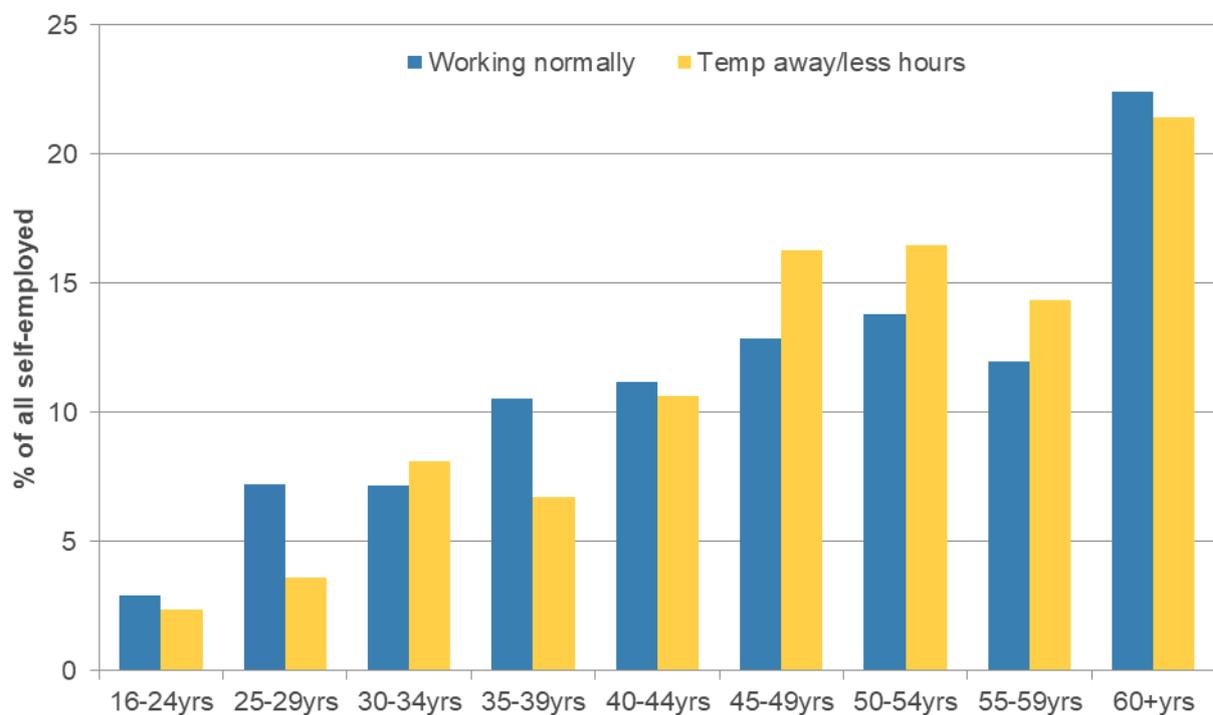
**Figure 1.10 Proportion of all employees by working status and age group, June 2020, UK**



Source: Quarterly Labour Force Surveys, Jan-Jun 2020

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**Figure 1.11 Proportion of all self-employed by working status and age group, June 2020, UK**



*Source: Quarterly Labour Force Surveys, Jan-Jun 2020*

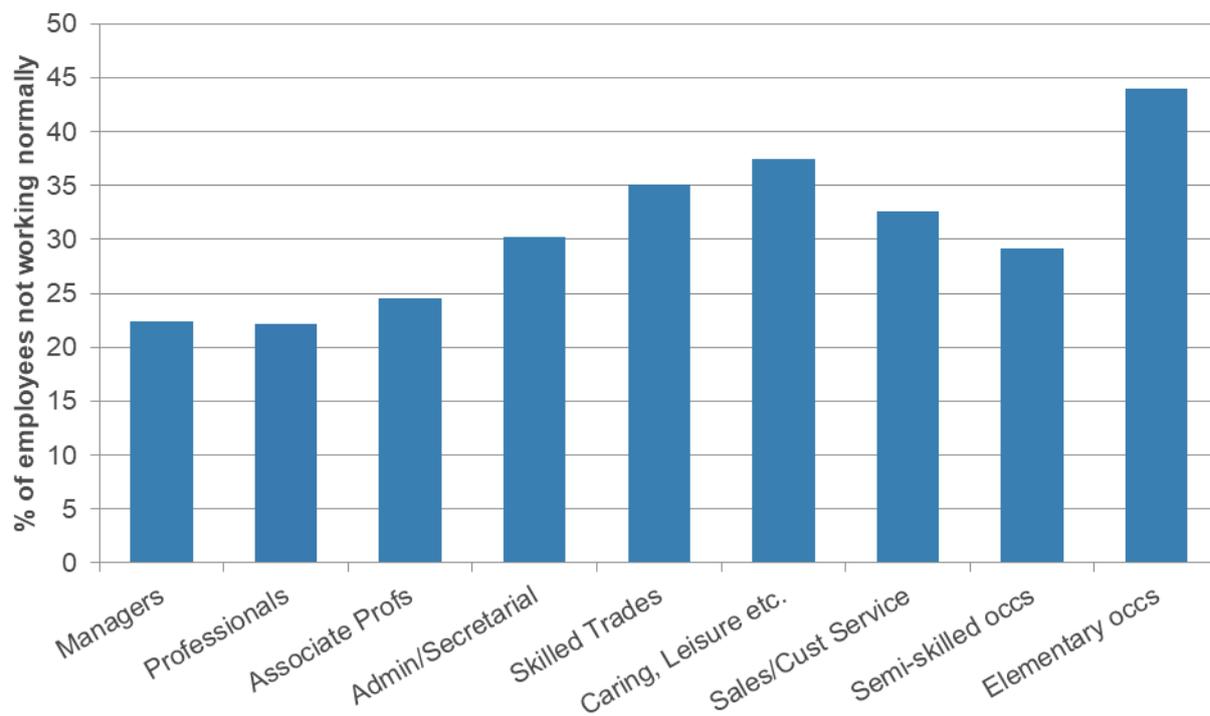
## Employment characteristics

### Occupation

The proportion of employees not working normally was highest among elementary occupations, at 44 per cent in June, followed by caring, leisure and other service occupations (37 per cent), skilled trades (including chefs etc., 35%), and sales and customer service occupations (33%). By contrast, fewer than one in four managers, professionals or associate professionals were not working normally.

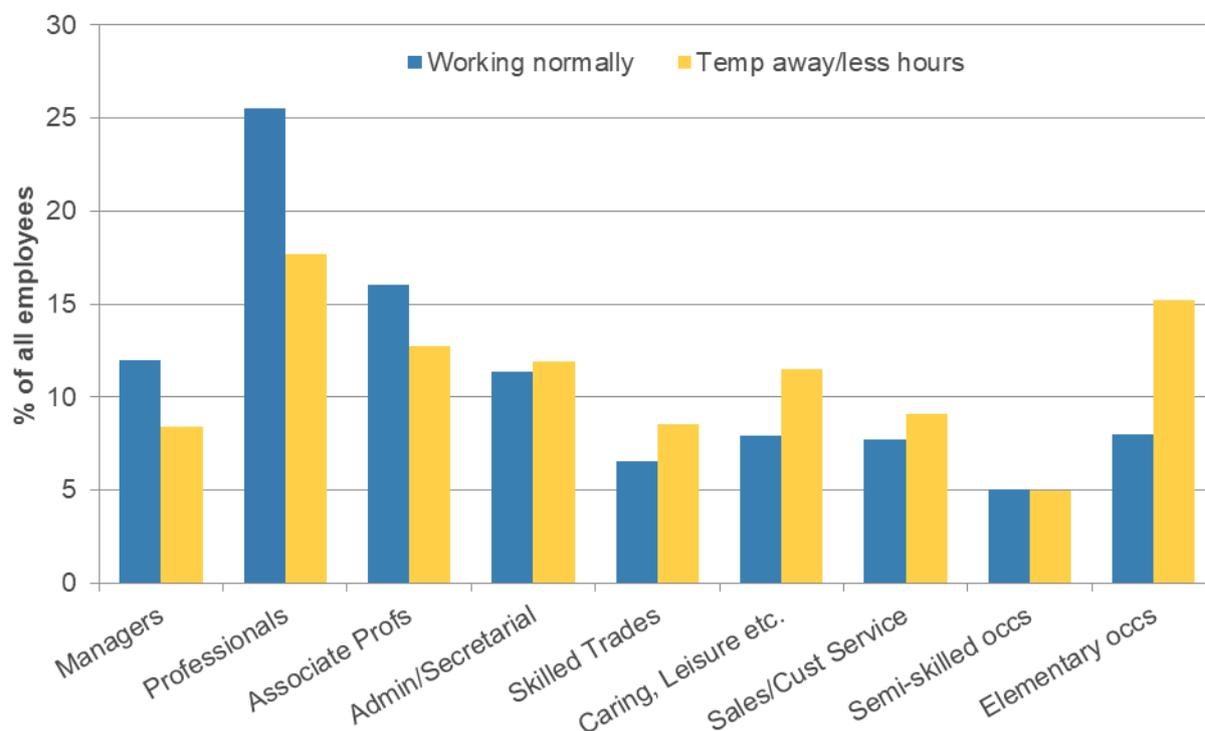
Elementary occupations made up eight per cent of all employees working normally, but 15 per cent of those temporarily away from their jobs or working fewer hours because of lockdown measures. Skilled trades, caring/leisure occupations and sales occupations were also over-represented among those not working normally. Taken together, these four occupational groups accounted for 44 per cent of those not working normally and 30 per cent of those working normally.

**Figure 1.12 Proportion of employees not working normally by occupation, June 2020, UK**



*Source: Quarterly Labour Force Surveys, Jan-Jun 2020*

**Figure 1.13 Proportion of all employees by working status and age group, June 2020, UK**

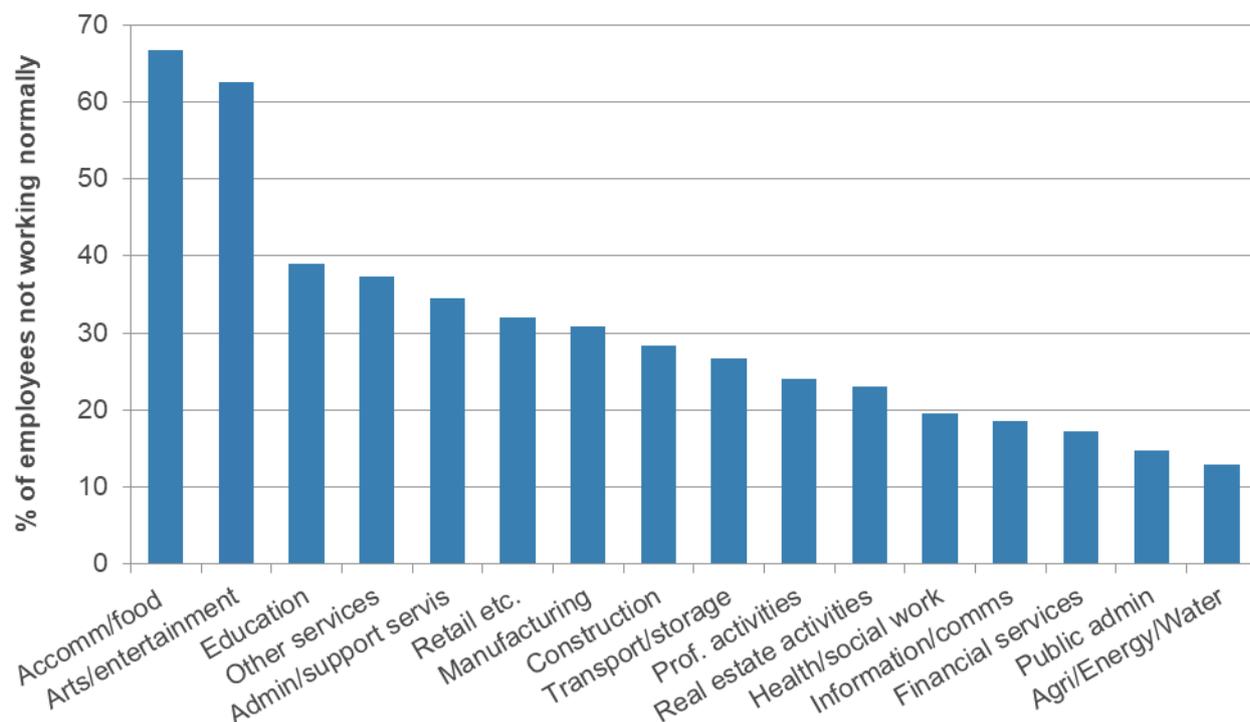


Source: Quarterly Labour Force Surveys, Jan-Jun 2020

### Sector

There were some stark differences by sector in June, with more than half of employees in the accommodation and food sector, and the arts, entertainment and recreation sector, either temporarily away from their jobs or working fewer hours as a result of lockdown. Behind these two sectors came education (although the picture might be different now with schools opening again in September), other services (eg hairdressing), administrative and support services, and retail and wholesale distribution. At the other end of the scale, less than one in five workers in health, ICT, financial services, public administration and agriculture/energy/water supply were not working normally.

**Figure 1.14 Proportion of employees not working normally by industry, June 2020, UK**

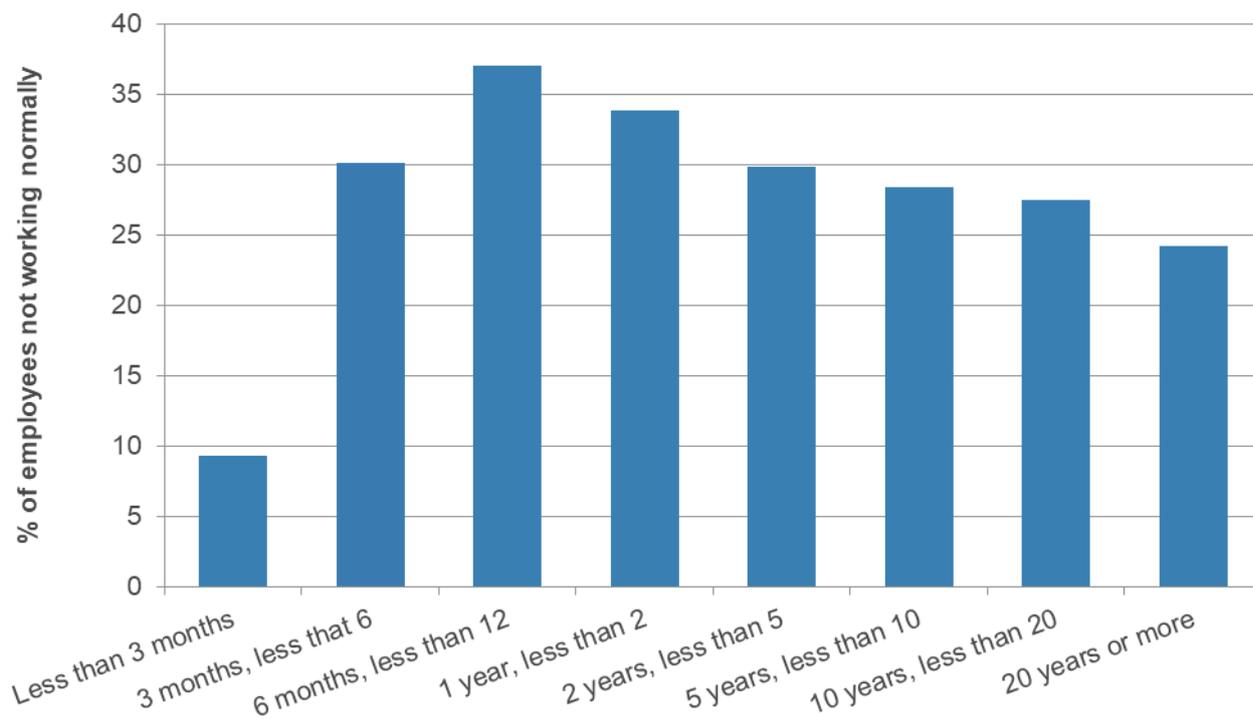


*Source: Quarterly Labour Force Surveys, Jan-Jun 2020*

### **Length of service**

Figure 1.15 shows the variation by length of service. It is generally the case that those with the longest service were least likely to be not working normally, although those with less than six months' service were less likely than those with slightly longer service to be not working normally, as these employees would have been taken on shortly before or since lockdown started. Just under one in four workers with 20 years or more service were not working normally, compared with 37 per cent of those with between six and 12 months.

**Figure 1.15 Proportion of employees not working normally by length of service, June 2020, UK**

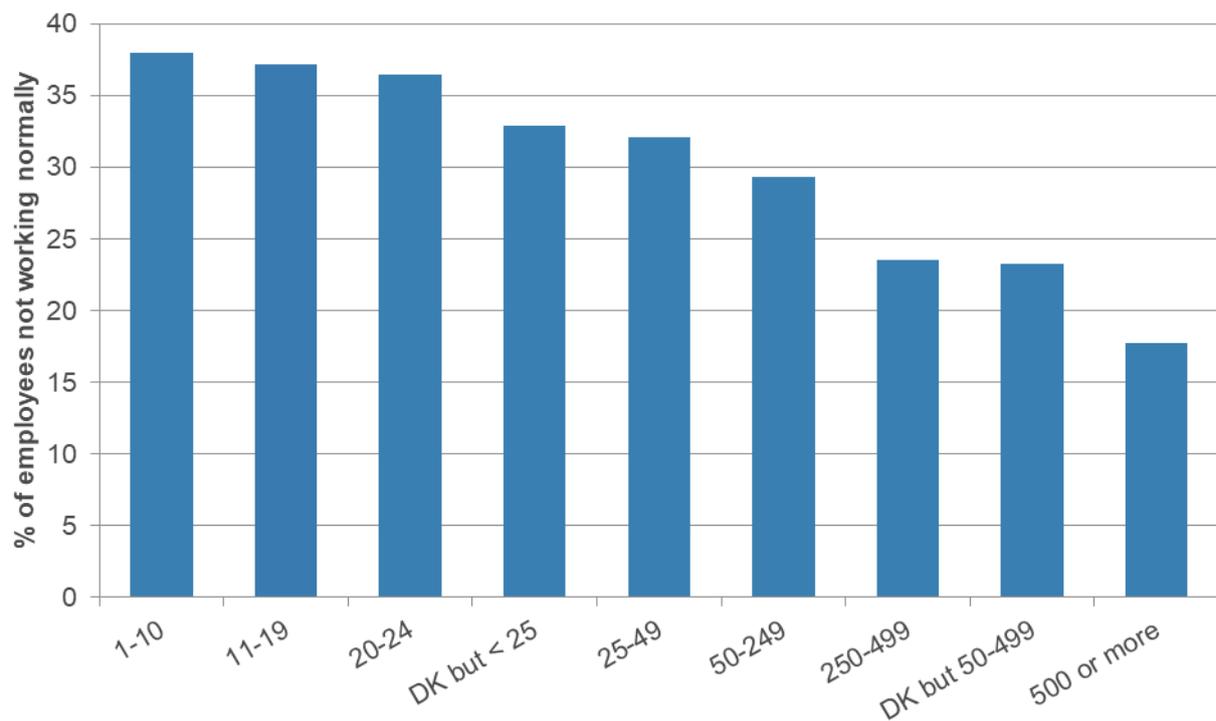


*Source: Quarterly Labour Force Surveys, Jan-Jun 2020*

### **Size of employer**

There was a clear pattern by size of employer, with the likelihood of not working normally decreasing as the size of employer increased, from 38 per cent of those working for the smallest firms with 10 or fewer employees, to 18 per cent of those working for large employers with 500 or more employees.

**Figure 1.16 Proportion of employees not working normally by size of employer, June 2020, UK**

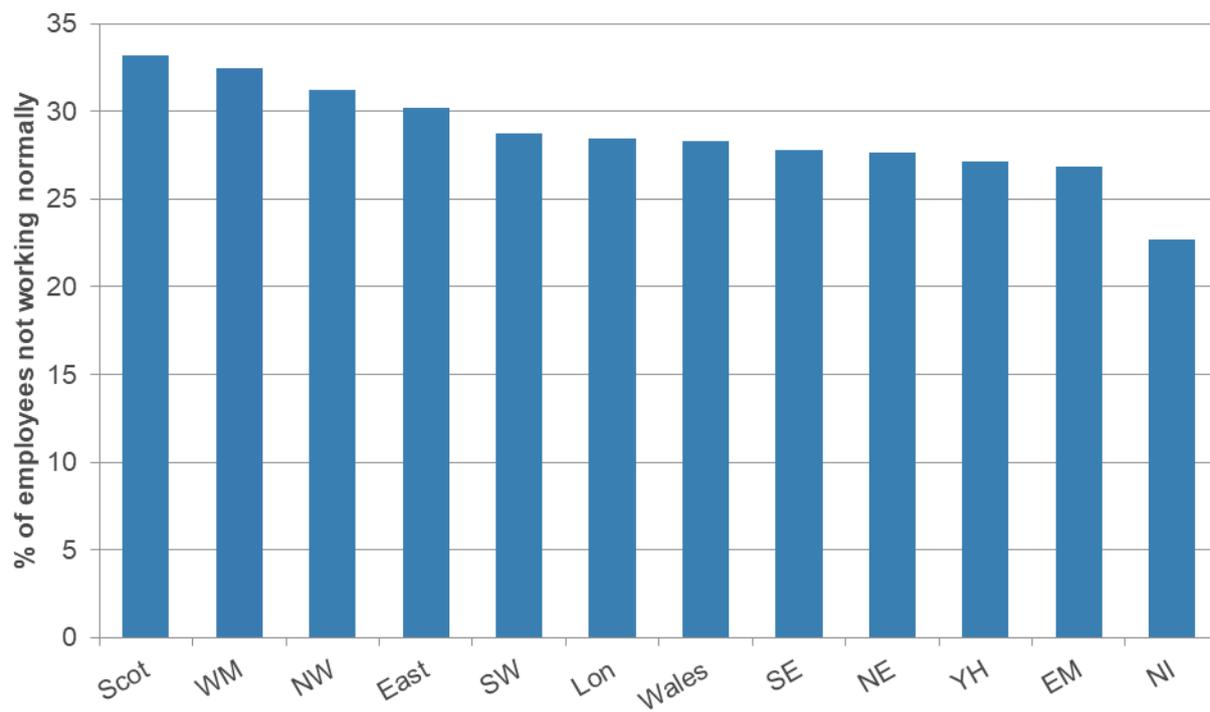


*Source: Quarterly Labour Force Surveys, Jan-Jun 2020*

### **Region**

Figure 1.17 shows the variation by region in the proportions of employees not working normally. In most regions the proportion was around 28 per cent, while it was highest in Scotland (33%), the West Midlands (33%), the North West (31%) and the East of England (30%), and lowest in Northern Ireland (23%).

**Figure 1.17 Proportion of employees not working normally by size of employer, June 2020, UK**



*Source: Quarterly Labour Force Surveys, Jan-Jun 2020*

## Understanding Society

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Analysis has looked at the April situation of those who were in work pre-lockdown, in January/February.

Overall, just under three quarter (73%) were still working (although their hours may have changed), 22 per cent were furloughed, and five per cent were not working.

Women were more likely than men to still be working – 75% compared with 71%.

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**Table 2.1 April status by gender**

	Male	Female	All
Still working	71.4	75.2	73.3
Furloughed	23.3	20.1	21.6
Out of work	5.4	4.7	5.0

*Source: Understanding Society Covid 19 dataset, April 2020*

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People in couples were more likely to still be working – 76% compared with 67% of single people.

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**Table 2.2 April status by relationship status**

	Couple	Single	All
Still working	76.3	67.3	73.3
Furloughed	20.2	24.7	21.7
Out of work	3.6	8.0	5.0

*Source: Understanding Society Covid 19 dataset, April 2020*

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Male singletons were the least likely to still be working.

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**Table 2.3 April status by relationship status and gender**

	Male			Female		
	Couple	Single	All	Couple	Single	All
Still working	74.6	63.5	71.3	78.0	70.2	75.2
Furloughed	21.4	27.8	23.3	18.9	22.3	20.1
Out of work	4.0	8.7	5.4	3.2	7.5	4.7

Source: Understanding Society Covid 19 dataset, April 2020

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Young workers, aged 24 and younger, were most likely to be furloughed (31%) or to be out of work (11%).

**Table 2.4 April status by age**

	<b>18-24</b>	<b>25-34</b>	<b>35-44</b>	<b>45-54</b>	<b>55-64</b>	<b>All</b>
Still working	57.8	69.1	77.3	77.8	75.4	73.3
Furloughed	31.3	22.8	20.5	19.3	19.8	21.6
Out of work	10.9	8.1	2.2	2.9	4.8	5.0

Source: Understanding Society Covid 19 dataset, April 2020

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There were only minor differences by whether or not individuals had children – those without were slightly less likely to still be working.

**Table 2.5 April status by whether or not the individual has children**

	<b>No kids</b>	<b>Has kids</b>	<b>All</b>
Still working	72.1	75.3	73.3
Furloughed	22.3	20.5	21.7
Out of work	5.5	4.2	5.0

Source: Understanding Society Covid 19 dataset, April 2020

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Among individuals in couples, those with children were more likely to be working than those without children, while among single people the reverse was the case

**Table 2.6 April status by whether or not the individual has children and relationship status**

	<b>Couple</b>			<b>Single</b>		
	<b>No kids</b>	<b>Has kids</b>	<b>All</b>	<b>No kids</b>	<b>Has kids</b>	<b>All</b>
Still working	75.3	77.5	76.3	67.9	65.0	67.3
Furloughed	20.9	19.3	20.1	24.3	26.2	24.7
Out of work	3.8	3.2	3.6	7.8	8.9	8.0

Source: Understanding Society Covid 19 dataset, April 2020

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