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Summary

The focus of our analysis is on the unintended gendered and racialised consequences of decision-making processes at times of crisis and uncertainty. We adopt an intersectional approach to examine the interaction between gender, race, culture and socio-economic structures on under-represented and marginalised groups. More details of our early findings can be found here: <https://www.bristol.ac.uk/grc/research/research-projects/equal-futures/>.

Our own research builds on a detailed examination of the obstacles to achieving gender equality in the context of political and economic institutions. We draw on Gender Mainstreaming (GM) as a policy approach as it offers opportunities to uncover bias in decision-making. Our evidence will thus focus on gender as an analytical lens or frame, but our findings also highlight the need for a detailed analysis and understanding of the impact of approaches to crisis management and post-crisis recovery on different socio-economic groups.

In this evidence we will focus on four key areas:

1. Impact of cognitive bias on decision-making in times of crisis;
2. Unintended gendered and racialised consequences of crisis management approaches that sideline impact assessments;
3. Options for including impact assessments in the development of policy approaches to post-crisis recovery;
4. Relationships with civil society and epistemic communities

Scope of the Inquiry

This inquiry seeks to identify ways in which the Treasury can address and mitigate the uneven and unequal impact of Covid-19 on under-represented and minoritised groups.

Background Research and Methodology

The background research to our submission is an ongoing project funded by the University of Bristol. The aim of our research project is to examine the impact of the cascading effect of multiple and overlapping crises on under-represented groups. The key findings of our research are that institutional obstacles to diverse representation lead to unequal decision-making outcomes, particularly in times of crisis.

The Context

The 2010 Equality Act established in law the “Equality Duty”. What underpins this principle is a commitment to eliminate discrimination and advance equality of opportunities. More specifically, it mandates public authorities to have due regards for equality and actively promote equal opportunities for all individuals. Equality impact assessments are identified as an important tool for assessing the impact of a policy or legislative proposal on individuals or groups sharing protected characteristics. The aim of impact assessments is to prevent unintended harm on these same groups. (<https://www.gov.uk/government/publications/public-sector-equality-duty>).

The 2019 Gender Equality Roadmap acknowledges the ongoing challenges to achieving substantive equality in the UK. The roadmaps identifies eight drivers of gender inequality lined to eight key actions:

	Drivers of Inequality	Actions
1	Gender stereotypes rooted in social and cultural norms	Challenge gender stereotypes in education and the media; Promote equal participation in areas where women remain under-represented (e.g. STEM); Fund additional research to understand root-causes of gender stereotypes.
2	Vertical segregation of the labour market which leads to the feminisation of low-paid roles and positions	Institute measures for gender pay gap reporting; Support employers in addressing the pipeline; Support employer based women’s equality networks; Fund additional research on career structures and opportunities.
3	Working age benefits are not set up to deal with the impact of gendered divisions of care work in the family	Support women through decision-making processes about employment, progression and promotion; Continue to review provisions and accessibility of childcare;
4	Caring responsibilities continue to be unequally and unevenly distributed within family units	Consult with cross-sector stakeholders; Consult with civil society organisations; Work with employers to improve offers to carers; Launch Carers Innovation Fund.
5	Women are still more likely to withdraw	Support parents in navigating decisions

	from the labour market to fulfil the function of care in the domestic sphere	about paid work and (unpaid) care; Improve access to information for parents; Support extending quality flexible working; Provides pathways to access information; Continue support for early years childcare provisions.
6	Rigid employment structures remain a significant obstacles to the full participation in the workforce of individuals with caring responsibility	Round three of the Returners Grant Fund; Support employers in the sectors with the largest gender imbalance in the workforce;
7	The unequal distribution of care work has a detrimental impact on women's financial security through their lives, including during retirement	Increase engagement with Money & Pension Services; Introduce a new (voluntary) Investing in Women Code.
8	Unequal practices continue to be pervasive in the formal economy	Review enforcement of Equal Pay legislation to make the 50th anniversary of the 1970 Equal Pay Act; Review the responses from the redundancy protection and pregnancy and maternity discrimination protection; Review sexual harassment in the workplace provisions.

The 2019 Gender Equality Roadmap concentrates on the barriers to individual women's participation in the labour market. Women are thus the target of policy actions, and employers are the main drivers for achieving change. There is little in the roadmap about resourcing the transition to a full adult worker model or incentivising men to increase their share of unpaid (care) work in the family (Guerrina, 2015; MacRae et al, 2021). Gender neutral language in the discussion of Parental Leave provisions obfuscates gender inequalities in the family. Understanding the social and economic roots of unequal gender divisions of (unpaid) labour in the family is largely overlooked, as ongoing discussions about gender budgeting as a tool for achieving the ambition set out in the roadmap.

For the purpose of this submission, this roadmap is important because it identifies (unpaid) care work as one of the key drivers of gender inequalities in the UK.

Evidence

The inquiry asks a number of important questions that include intersectional inequality, gender budgeting, as well as Equality, Diversity and Inclusion (EDI) impact assessments. We will focus our evidence on the questions set out below.

1. What are recent trends in income and wealth inequality in the face of the pandemic?

- 1.1 The pandemic has exposed and exacerbated the high levels of unpaid and unseen care work undertaken in the UK, such as adult social care and childcare.
- 1.2 Unpaid care work during the pandemic has impacted men and women differently (Guerrina et al, 2021). The Institute of Fiscal Studies (Andrew *et al.*, 2020) revealed that mothers were one and a half times more likely to have quit or lost their job, or have been furloughed, than fathers. Compared to fathers, mothers were spending more time on household responsibilities and less time on paid work (around 2 fewer hours per day).
- 1.3 In 2014/15 mothers were in paid work at a rate of 80% of fathers. This has now dropped to 70%. Similarly, in 2014/15 mothers in paid employment would work an average of 73% of the hours fathers worked. This figure has now dropped to 68% (Close the Gap, 2020).
- 1.4 Employers demonstrated low levels of awareness of the furlough provision for employees with caring responsibilities. This lack of engagement with the full range of provisions thus exacerbated women's double burden. Many working women with caring responsibilities faced a substantial increase in workload as they sought to juggle childcare, homeschooling and paid employment working from home (Close the Gap, 2020; Guerrina et al, 2021).
- 1.5 The initial lack of part-time furlough further exacerbated these challenges, resulting in some women being forced out of the labour market. This in turn has a significant impact on the gender pay gap, women's income and the gender segregation of the labour market (Close the Gap and Engender, 2020).

2. As we recover, how do we combat the inequalities that have been exacerbated as a result of the pandemic?

- 2.1 In order to combat the inequalities that have been exacerbated by the pandemic, **we recommend that care work and care infrastructure, such as facilities and support for care, should be integrated into the recovery plan and should be treated as infrastructure investment by the government.**

- 2.2 **The childcare sector and the social care sector have been strained by the pandemic. Both of these sectors have not received adequate levels of support from the Treasury, particularly compared to other sectors** such as transport and healthcare, or the financial sector during the 2008 financial crisis (The Fawcett Society, 2020). As affordable, accessible childcare is linked to mothers' access to the workplace, if this sector is not seen as part of the national infrastructure then gender equality and carers ability to access paid employment is likely to backslide.
- 2.3 Similarly, the pandemic has exacerbated long standing structural issues in the social care sector, such as underfunding, poor terms and conditions for staff, workforce gaps, unmet needs and an overreliance on unpaid carers (Dunn et al, 2021: 37). **The social care sector also needs to be considered as an essential feature of the UK's infrastructure, to ensure that women can return to the workforce and not be constrained by unpaid care work.**
- 2.4 **Reform and investment in these sectors will support the country's recovery from the pandemic and will prepare for potential future waves of COVID-19.** It will also ensure that some of the most vulnerable groups in the workforce are included in planning for an equal recovery. This will prevent further backsliding in gender equality as a result of the pandemic.

3. How has the economic impact of the crisis affected gender inequalities?

- 3.1 COVID-19 has claimed lives, livelihoods and has strained health and care systems, changed policy priorities and widened socio-economic divides (UN Women, 2020). **It has disrupted the normal functioning of societies and economies, this disruption has the potential for progressive change, but also there is a significant risk of the reversal of progress on gender equality** (Rubery and Tavora, 2020).
- 3.2 **Gender asymmetries and inequalities in employment, as well as household labour and care, have resulted in gendered socio-economic impacts.** Whilst the repercussions of the pandemic are still emerging, it is likely that low income households are particularly vulnerable economically, as wages in the sectors affected most by the pandemic are among the lowest, and low paid workers are less likely to have been able to work from home (Francis-Devine, 2020:19). In addition, **57% of workers in sectors shut down by the pandemic were women, compared to a workforce average of 48%** (Powell, Francis-Devine and Foley, 2020).

- 3.3 **Whilst the UK Government has made some welcome interventions, such as The Coronavirus Job Retention and Self-Employed Income Support Scheme which enabled workers to be furloughed. These schemes did not adopt a gendered approach in the design and delivery of support** (Close the Gap, 2020).
- 3.4 **Going forward, it is essential not to assume that workers have a linear relationship with the employment market. Those who have had career breaks should be accounted for in the transition to recovery planning.** Women, and particularly women from minoritised groups or communities, are most likely to have been affected by job losses and more likely to have been furloughed during the pandemic.
- 3.5 **The re-entry of these workers into the labour market needs to be prioritised.** An equal recovery has to consider the long term impact of Covid related unemployment on different groups' financial standing during the working years as well as retirement.

4. Following the previous Treasury Committee's Report on Women in Finance, what has been the impact of the crisis on women in financial services, and what progress needs to be made?

- 4.1 **The Treasury Committee's Report on Women in Finance highlights the importance of improving representations at all levels and in all areas of decision making.**
- 4.2 **Increasing the overall diversity of interests represented in decision-making bodies helps to prevent various forms of cognitive bias that can result in inequitable outcomes.** Unequal representation in decision-making forums skews discussions, proposals and options. Bias thus becomes normalised through assumptions and norms about participation in economic structures and practices, e.g. the labour market.
- 4.3 **Increasing the total number of individuals from under-represented groups in decision-making is an important first step, but it cannot be the only action taken to address social and economic inequalities.** Indeed size of representation, position and role of representatives in decision-making bodies will influence their ability to represent a diverse set of interests.

5. How effectively is the Treasury taking disability, gender and race into account when formulating policies and making decisions on departmental spending allocations?

Mainstreaming Equality and Inclusion in the Context of Crisis

- 5.1 Negotiation and mediation between different, and at times competing, sets of interests is at the heart of decision-making and policy-making processes. Policy outcomes thus result from the operationalisation of key decisions by political leaders, civil servants and other economic institutions. In the context of government, the model below summarises the complex relationship between elected representatives and the civil service in policy-process.



- 5.2 **In order for equality and inclusion to be mainstreamed effectively, key principles and actions need to be included at every stage of the process.**

Treasury' performance in integrating equality and inclusion in policy processes.

- 5.3 A 2019 Report by the European Institute for Gender Equality found that the UK government, and especially the Treasury, has resisted integrating gender analysis of fiscal and economic policies. In 2019, the Treasury committee recommended the inclusion of a quantitative analysis of the equality impact of key policies, e.g. tax and welfare (European Institute for Gender Equality, 2019).
- 5.4 The UN Special Rapporteur on extreme poverty and human rights condemned the UK government for inflicting 'great misery' unnecessarily through its austerity policies, onto those who are already marginalised (OHCHR, 2018). In a press conference, the Special Rapporteur noted that '*If you got a group of misogynists in a room, and said guys, how can we make this system work for men and not for women, they wouldn't have come up with too many other ideas than what's already in place*' (BBC News, 2018).
- 5.5 The Treasury's decision in the context of COVID-19, especially in relation to the furlough and income protection for self-employed women on maternity leave, indicates that such analysis has been largely sidelined. The Treasury's narrowly defined economic priorities have since exacerbated social and economic inequalities in the UK. (Close the Gap, 2020)

- 5.6 **The 2021 Budget does not include a full equality impact assessment, nor does it outline how the government will address the impact of COVID-19 on feminised sectors of the economy, e.g. hospitality and retail.**
- 5.7 The government has acknowledged that ‘staff in the hardest hit, largely consumer-facing sectors, such as hospitality, are more likely to be young, female, from an ethnic minority, and lower paid’ (HM Treasury, 2021: 14). However, this acknowledgment does not constitute an impact assessment. The above quote is the only reference of ‘female’ and the word ‘women’ appears three times, once in regard to homeless women facing domestic abuse and money for respite rooms and twice in regards to money to support the Women’s Euros football competition in 2022. More pointedly, **the 2021 Budget does not include a single reference to either ‘gender’ or ‘equality’.** The only time ‘inequalities’ is mentioned is in regards to geographical inequalities, which is linked to its ‘levelling up’ strategy. It does not make any attempt to ascertain how the Covid-19 pandemic has gendered impacts and therefore how the recovery process needs to take this into account.

6. How can the Treasury better reflect the impact of its policies by disability, gender, and race in its impact assessments?

Value of Impact Assessments for helping decision-makers to tackle social and economic inequalities.

- 6.1 **Impact assessments** can be a very effective tool for identifying the potential unintended consequences of policies. However, **they require detailed knowledge of equality and inclusion matters, as well as a willingness to act on the recommendations and analysis.**
- 6.2 **We therefore recommend that summary statements are included in all recovery policies and at every step of the policy cycle.** Considerations about equality and inclusion should be integrated into all stages of the policy process, from agenda setting and problem defining, through to formulation and design, to implementation and monitoring. **Constantly evaluating the impact of policies and effectively institutionalising this within the policy cycle will minimise the unintended consequences of policies on minoritised groups. These should be made public.**
- 6.2 **In order to ensure that the impact assessments are acted upon, we recommend auditing work in this area.** An audit provides a detailed assessment of the extent to which impact assessments are affecting change and would establish a baseline, identifying any critical gaps and challenges to the use of

impact assessments (European Institute for Gender Equality, 2021). This would ensure that;

- Gender equality is being considered at every stage of the policy cycle, to ensure an equal recovery
- That consideration of gender equality is being effectively institutionalised into decision-making on COVID-19 recovery.

6.3 Impact assessments need to include a number of sensitising questions aimed at identifying silences and implicit bias in policy texts and programmes. These questions can include, but are not necessarily limited to the following

	Sensitising Questions	Function in the policy process
1	Who is the subject of the policy or programme?	Identifies the target of the policy action.
2	Who is responsible for implementing the policy or programme?	Identifies policy ownership and lines of responsibilities
3	What are the stated aims of this policy or programme?	Identifies the political priorities and objectives.
4	How is success defined?	Outlines measurable objectives
5	Have resources been made available for this policy or programme?	Investment in the policy domain is a useful indicator of salience.
6	Who has been left out as subject of the policy or programme?	Identifying silences helps us to understanding the implicit bias of policy
7	Who has been consulted in the development and implementation of this policy or programme?	Understanding who has been consulted or has contributed to policy development and at which stage helps us to understand which interests may have been prioritised in the decision-making process.

6.4 **Impact assessments require expert knowledge in areas of gender, race, disability and socio-economic status, as well as intersectionality.** Funding needs to be allocated to scrutinise the work of the Treasury in mainstreaming equality and inclusion throughout the policy cycle. This work needs to be institutionalised, rather than conducted in piecemeal and inconsistent ways. There

is a clear gap in the processes for systematic and thorough scrutiny of policy in regards to the impact of key decisions, including fiscal and welfare services on equality and inclusion. Therefore, **we recommend that a budget is allocated to create a sufficient resource base to scrutinise the work of the Treasury.**

The 'Feedback' Loop

- 6.5 In order for there to be an 'equal recovery' there needs to be space for substantive claims by under-represented groups to be made. This is an important, although often overlooked dimension, of mainstreaming equality and inclusion (Lombardo and Meier, 2019: 240).
- 3.4 The inclusion of a diverse set of voices is an essential feature of the 'feedback loop', accountability and legitimacy of the Treasury's policies. An inclusive Treasury is one that treats gender, race, equality and inclusion as cross-sectional issues. The inclusion of diverse voices and issues of gender, race and intersectionality should thus be integrated into all work of the Treasury, and not be siloed.
- 3.5 **We recommend the creation of a space for a diverse body of civil society organisations and epistemic communities to be able to engage with the policy process and enable them to provide feedback on the impact assessments.**

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