



ECONOMIC EFFECTS OF COVID-19 CRISIS ON GENDER INEQUALITY

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P. 1

Women and men suffer differently from the effects of economic crises. When a crisis is triggered, even assuming equal impact between these groups (an assumption for which there is evidence to the contrary¹), the number of women in a disadvantaged situation will be greater. This is because women and men occupy a different position in the economic and social reality, in other words, women start from a more unfavorable position.

- Thus, according to data from the Permanent Household Survey (*Encuesta Permanente de Hogares*, EPH²) as of the third quarter of 2019:
 - **Unemployment rate for women was higher than for men:** 10.1% vs. 8.3%. These values increase for persons between 14 and 29 years of age (19.6% vs. 14.8%).
 - **Activity rate for women was 20 percentage points below that of men** (49.2% vs. 70.2%)
 - **Women in the labor market had worse conditions:** almost 4 out of 10 employed women were in the informal sector (36%), compared to 33% of men
 - **On average, women earned a lower income, with a higher proportion of women in the lowest income deciles:** of every 10 persons in the poorest 10% of the population, 6 were women; while the proportion of men was higher in the highest deciles (of every 10 persons in the richest 10% of the population, 7 were men)

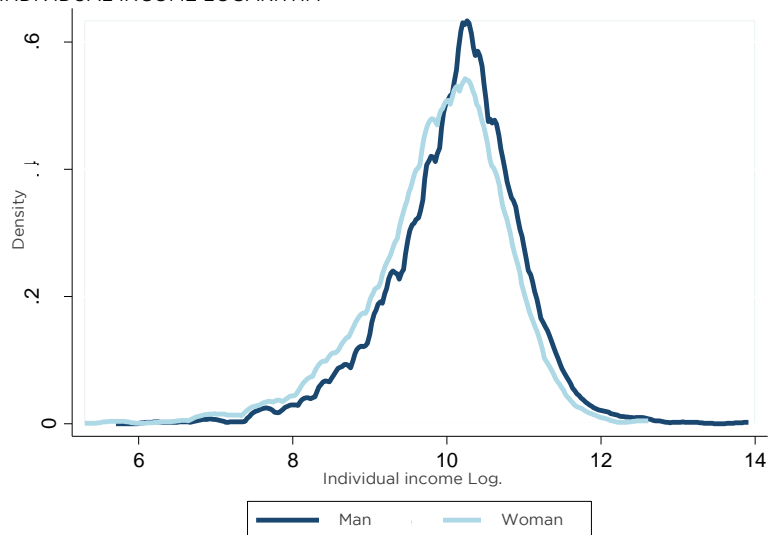
¹ See Benería and Feldman (1992); Antonopoulos (2009); Elson (2010) and Gálvez and Torres (2010)

² The EPH includes information on the country's 31 main urban areas, whose population represents about 70% of the urban population and 63% of the total population.

FIGURE 1

INCOME DISTRIBUTION BY GENDER

INDIVIDUAL INCOME LOGARITHM

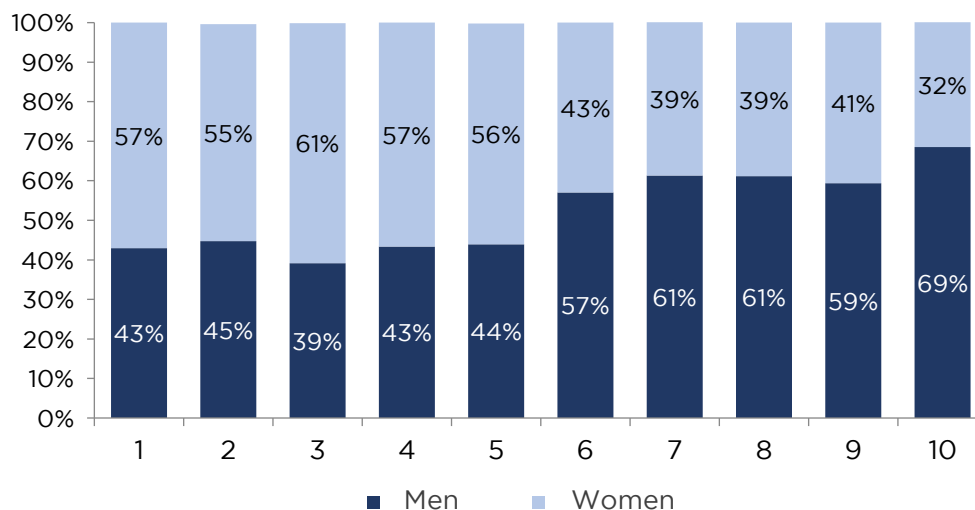


SOURCE: OPC, based on Permanent Household Survey (INDEC - Third quarter 2019)

FIGURE 2

DISTRIBUTION BY GENDER WITHIN EACH INCOME DECILE

TOTAL INDIVIDUAL INCOME (LABOR AND NON-LABOR INCOME SOURCES)



SOURCE: OPC, based on Permanent Household Survey (INDEC - Third quarter 2019)

- According to the Survey on Unpaid Work and Use of Time (INDEC 2013), **on average, women spend more hours doing housework and caregiving than men** (6.4 hours vs. 3.4 hours), which is even more pronounced when there are young children in the home (9.8 hours vs. 4.5 hours).

Given the rigid sexual division of labor within the household, it is to be expected that the school closures and social distancing measures adopted in the context of the current health crisis will lead to an additional workload for women within the household.

- In addition, the strong **pressure on health systems has a significant impact on women**, given that this is a sector with a high female representation: **67% of those employed in this sector are women.**

HOUSEHOLDS WITH DOMESTIC SERVICE

The informal sector of the economy is more exposed to job losses and a substantial drop in income in the current context of crisis.

Domestic service is the most representative activity within the informal economy, **accounting for 25% of unregistered jobs**³.

This sector generates around 1.7 million jobs (8% of the total number of jobs in the economy), an equivalent number to that generated by the construction sector and higher than the number of jobs in the primary sector.

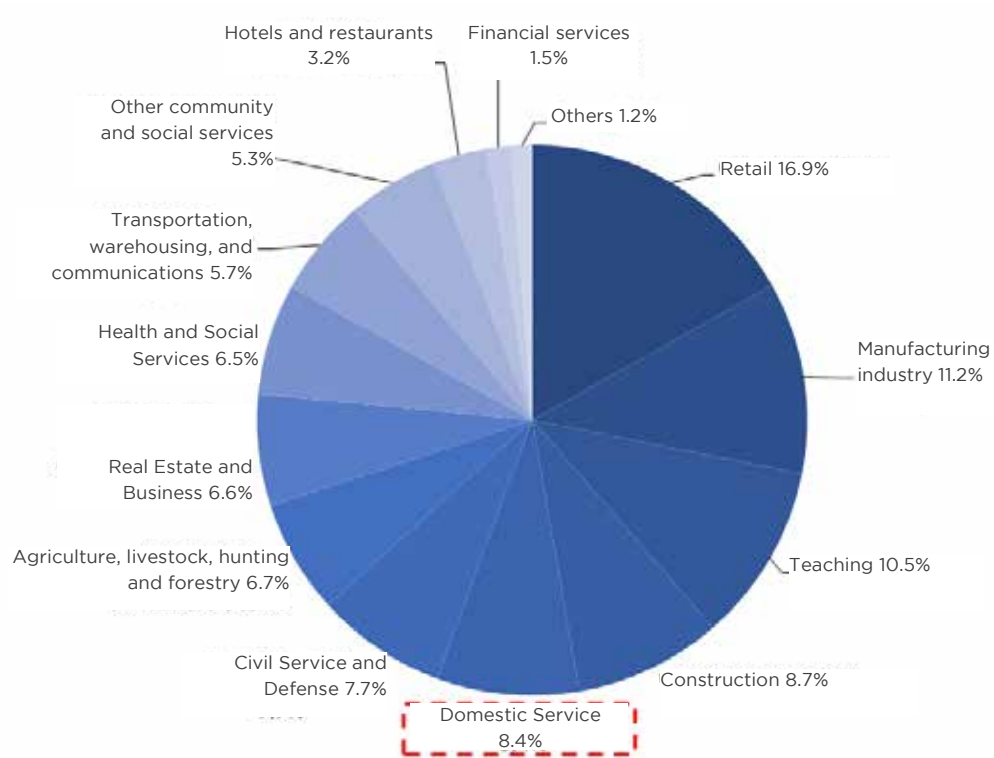
Domestic service represents an important source of employment for the most vulnerable sectors: **80% of the personnel working in private homes are in the three lowest deciles of the income distribution.**

³ This is followed by the retail sector, with a 15% share of unregistered jobs.

Approximately 17% of employed women work in domestic service, which together with retail, are the main sectors of the female labor force. These sectors combined account for more than one third of employed women.

FIGURE 3

JOBS BY ECONOMIC ACTIVITY



SOURCE: OPC, based on Income Generation and Labor Input Report (INDEC - Third Quarter 2019)

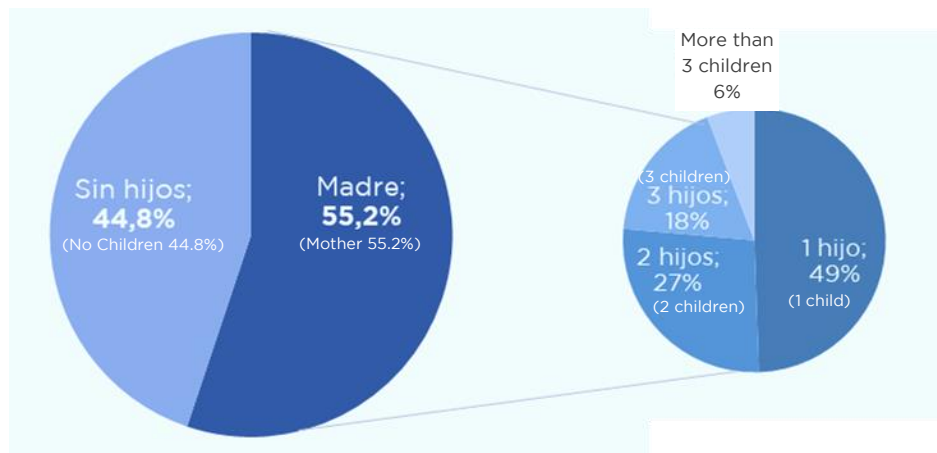
Ninety-seven percent of those employed in domestic service are women and 76% of them are informally employed.

In addition, of the total number of women employed in this activity, **41.8% are heads of household**, and therefore, their income constitutes the main economic support of the family group. **Of these women, 48.3% are mothers.**

Another 36.7% are spouses of the head of household, in which case the income from the domestic job represents an average of 20% of the total family income. Of these women, **64.3% are mothers.**

When analyzing the family composition of women in this sector, 55.2% are mothers, and about half of them have more than one child.

FIGURE 4
CHARACTERIZATION OF WOMEN EMPLOYED IN DOMESTIC SERVICE
BY MOTHERHOOD AND NUMBER OF CHILDREN



SOURCE OPC, based on Permanent Household Survey (INDEC - Third quarter 2019).

The Health Emergency Executive Order 310/2020 established a non-contributory monetary benefit, "Emergency Family Income" (IFE), which is available to female domestic service workers if they meet certain conditions.⁴

According to estimates based on the EPH, 95% of domestic service workers meet the requirements to receive the IFE. Within the remaining 5% that would not be able to access the benefit:

⁴ These requirements are to be Argentinean or resident with a legal residence in the country of no less than two years, to be between 18 and 65 years old and that the applicant or any member of his/her family group does not receive income from registered work, retirement/pension, unemployment benefits, social plans (except AUH, AUE and PROGRESAR) or that he/she is a simplified regime taxpayer (*monotributista*) of category C or higher.

- 89% (around 40,000 records) do not meet the age condition, as they are over 65 years of age. Of these, 67% are heads of household and, for 11%, the income from their activity is the household's only income.
- The remaining 11% are persons who do not meet any of the other requirements established for access to the allowance.

From a rights-based approach, continuing to advance in the registration of the domestic service sector would guarantee better working conditions and access to social protection for the worker and her family. From an economic point of view, the registration of the activity would result in greater public resources and would enable the recognition of this employment as a labor force reproducer. Consequently, gender perspective mainstreaming in the different instances of public policies is (also) key to mitigate the effects of the current economic and health crisis.



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