



# WOMEN'S WOES: GENDERED IMPACT OF COVID-19

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The effects of a crisis are rarely gender-neutral. Women and men experience markedly different outcomes during a crisis because of unequal foundations in society.<sup>1</sup> The Covid-19 pandemic is no exception – and the combined threat of a health and economic crisis interact with deeply entrenched gender inequalities, giving rise to disproportionate consequences for women.

Already, evidence of how the Covid-19 pandemic has been detrimental for women's economic outcomes has emerged, resulting in what many now term a "she-cession".<sup>2</sup> Globally, women experienced higher rates of job losses,<sup>3</sup> due in part to their concentration in sectors most vulnerable to the crisis, tendency to occupy jobs with low security and low income, and increase in their care burden as schools and childcare centres were shuttered.<sup>4</sup>

In Malaysia, women's labour outcomes mirrored these global trends. Early evidence indicates that women's employment has been more negatively impacted by the Covid-19 pandemic. These are concerning developments given that women's labour force participation rate in Malaysia in 2020 stood at 55.4%, lagging regional peers, such as Singapore, Vietnam and Thailand.

However, this also comes as no surprise because of women's care burden in the home.

**Women have cited "housework and family responsibilities" as the main reason for remaining outside the labour force long before the pandemic<sup>5</sup> – with large spikes recorded in 2020.**

A small sample study conducted by Khazanah Research Institute prior to the pandemic suggests that Malaysian women spent 1.4 more hours on unpaid housework duties a day compared to men.<sup>6</sup>

As we pass the two-year mark of the pandemic, it has never been more urgent to ensure that measures to uplift society must be gender sensitive. Stemming the long-term consequences of the crisis is key – especially since workers who lose their jobs during a recession tend to suffer heightened job insecurity in later years.<sup>7</sup> Without swift policy action, the negative economic consequences for women risk being made permanent.

## Intensified pandemic precarity

The Malaysians most vulnerable to the ravages of the Covid-19 pandemic are those from low-income groups with relatively low levels of educational qualifications, self-employed or unpaid family workers, and who work in rural locations.<sup>8</sup> Given women's unpaid care work obligations, a more nuanced understanding of their vulnerabilities is important to guide effective policymaking for the pandemic.

Women are disadvantaged by pre-existing levels of marginalisation. Pre-pandemic data indicate that the percentage of women employed in the informal sector saw a higher increase compared to men, moving up from 38.7% in 2017 to 43.7% in 2019.<sup>9</sup> Women were also more highly concentrated in the informal sectors most vulnerable to the Covid-19 pandemic.<sup>10</sup> In 2019, there were also three times more women unpaid family workers compared with men<sup>11</sup> – although this figure is likely to be undercounted.

Working mothers with young children are also more likely to take up part-time or irregular work<sup>12</sup> because this allows them to balance care obligations. The sacrifice comes at the cost of career progression and income, making them more vulnerable to layoffs and furloughs during the pandemic.<sup>13</sup> In Malaysia, there is a higher percentage of women working less than 30 hours a week – with significant increases recorded in the first quarter of 2020 when the pandemic hit.<sup>14</sup>

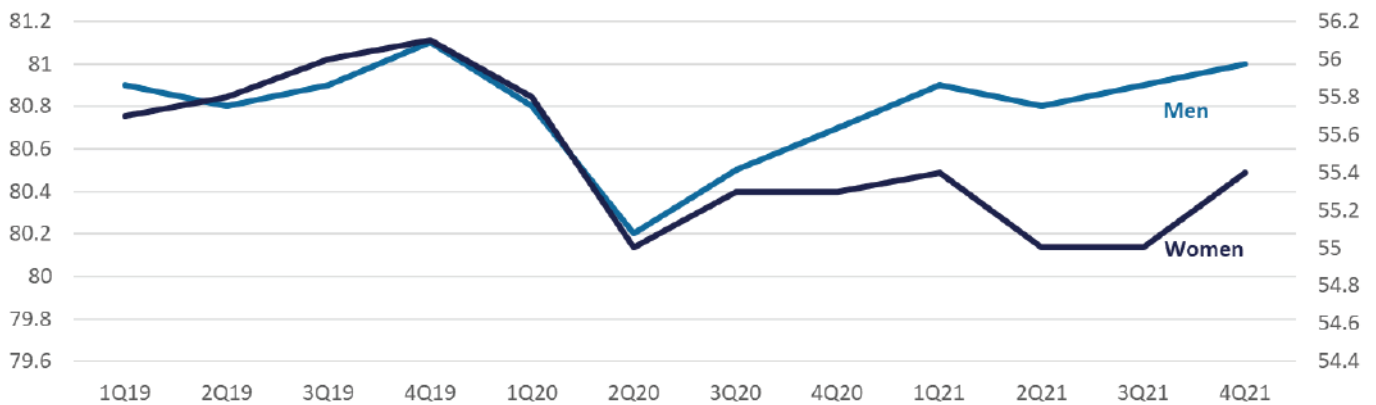
Family circumstances easily compound this issue. In a study of low-income communities living in low-cost public housing, it was found that 18% out of 21% of single-parent households were headed by single mothers.<sup>15</sup> Among female-headed households, the unemployment rate was about three times higher than the national average and remained above pre-crisis levels at the time the report was published.<sup>16</sup> These respondents were also likely to have limited access to social protection systems, such as employment-based social security.<sup>17</sup>

So, how did the precarious conditions prior to the pandemic play out for women?

**At the height of the movement-control order (MCO) in 2020, women below 35 years faced employment losses and labour force exits about 4.4 times higher and 115 times higher than the labour force average along with higher rates of skill-related underemployment.**<sup>18</sup>

Since then, there have been encouraging signs of a labour market recovery in the fourth quarter of 2021 for younger women in the 25–34 age group,<sup>19</sup> partly because of the reopening of childcare centres and schools in many states. However, for women under 25, employment and labour force figures have worsened relative to pre-pandemic levels.<sup>20</sup> Further, while men's labour force participation rates rebounded to pre-crisis levels in 2019, women's remain dampened by the pandemic (Figure 1).<sup>21</sup>

FIGURE 1. Labour force participation rates of women relative to men, 2019–2021



Source: DOSM

These outcomes are a reminder that the economic penalties women are experiencing will not recede as the country moves into the endemic phase. Women will continue to be disadvantaged in the long term with negative implications on their workforce participation, income, pensions and savings.<sup>22</sup>

### Gender-sensitive policy solutions

Given the disproportionate economic outcomes for women, Malaysia cannot afford to proceed with a gender-blind or a one-size-fits-all policy approach. We consider a range of gender-sensitive policies that could help equalise outcomes for women in the short and long term.

#### Affordable, accessible and quality early childcare and education (ECCE) system

Alleviating women's burden of unpaid care work and redistributing it to the formal care system must be at the centre of any policy approach to improve women's economic outcomes. Malaysia's public ECCE system across the TASKA and TADIKA level<sup>23</sup> is governed by different ministries and cater to the care and early education needs of low-income groups. The rest is served by the private sector, or those run by civil groups or religious bodies.

One of the key issues that Malaysia's ECCE system contends with is criticisms of low quality due to the proliferation of unregistered ECCE centres, and a largely unqualified workforce subjected to poor work conditions and low remuneration.<sup>24</sup> Accessibility remains an issue as ECCE centres at the pre-school level that serve children 4–6 years old do not operate throughout normal working hours or are located inconveniently. In terms of affordability, there are high costs associated with sending children to private ECCE centres with estimates indicating that households in Kuala Lumpur spend on average at least 15% of monthly income on this.<sup>25</sup>

The policy approach to improving ECCE provision to facilitate women's labour force participation must take on a multifaceted approach across the public and private sector. This should include:

- **Quality improvements:** This could involve tying financial incentives to registration and periodic regulation for ECCEs to ensure uptake and monitoring. During the pandemic, the PENJANA fiscal stimulus provided a grant to registered ECCEs as a means of aiding the industry. This could be extended over a longer period of time to address the health and safety concerns that come with unregistered operations and ensure quality regulation.
- **Improving workforce qualifications and working conditions:** Effective implementation of professional qualification mandates at the TASKA and TADIKA level, along with subsidies to cover the cost would be a major incentive for ECCE personnel – besides improving pedagogical outcomes for children. To

address the poor working conditions, both the government and private employers must improve monthly remuneration and job benefits while providing options for professional development and training to retain the workforce.

- **Enhancing accessibility and affordability:** Extending the hours of public ECCE centres to include a day-care option, especially for 4–6-year-olds in preschool to cover a working day, is necessary to provide working parents a one-stop solution for care. When it comes to affordability, more effective targeting and long-term benefits are necessary to address the ECCE needs of urban poor families unable to access public ECCE.
- **Addressing the need for workplace ECCE centres:** Successive budgets have explicitly encouraged the private sector to establish office childcare centres. The next step for the government would be to play a more conducive role for private sector uptake by providing technical and financial support along with trained ECCE personnel.
- **Recognising and supporting the ECCE industry:** The ECCE industry suffered major blows during the pandemic as a result of protracted closures during the MCO, resulting in reports of severe cuts to the salaries of ECCE teachers.<sup>26</sup> Looking ahead, Malaysia must further prioritise ECCE as an essential service and recognise its importance in line with higher levels of education, and provide technical and coordination support in line with standard operating procedures for adaptation to the endemic phase.

## Family-friendly workplace policies

Redistributing care should begin in the home. Research shows that even with parents working from home, women undertook the majority of care obligations – with men comparatively taking on less hours and less intensive care work.<sup>27</sup> Both employers and the government need to be cognisant of the constraints of care on worker productivity and employment and implement policies beyond maternity leave<sup>28</sup> that promote equitable distribution of care work in the home.

- **Flexible work and paid parental leave:** Encouraging and incentivising the widespread implementation of flexible work arrangements as well as non-transferable paid parental leave that applies to both parents to promote equal distribution among men and women.
- **Paternity leave:** Mandatory paid paternity leave can help close the care-induced gaps between men and women in the home.<sup>29</sup> Recently approved amendments to the Malaysia Employment Act have pushed for private sector employees to enjoy seven days of paternity leave, in line with public sector employees.<sup>30</sup> While this is a step in the right direction, uptake of paternity leave tends to be low.<sup>31</sup> The government and employers need to raise awareness, address pervasive gender norms and improve implementation by including “risk pooling through social insurance or public funds” as recommended by the International Labour Organisation (ILO) to prevent employer discrimination towards men with familial obligations.<sup>32</sup>

## Expand social protection for informal workers with care responsibilities

More pre-emptive measures, such as expanding the provision of unemployment benefits or introducing paid sick leave<sup>33</sup> can help reduce income losses and incentivise workers to adhere to quarantine regulations when sick or infected. However, a gender-sensitive approach is also necessary here. This should include:

- **Cash transfers targeted at women in the informal sector with children:** These transfers ensure vulnerable women are the beneficiaries and offer major support for unpaid caregivers during the pandemic.<sup>34</sup> There is space to build on existing government support, such as those aimed at single mothers<sup>35</sup> or housewives.<sup>36</sup> However, these measures must move beyond relatively small one-off payments and loosen eligibility requirements, improve coverage, and remove administrative barriers to ease registration and application, especially for informal workers.

These policy recommendations only touch the surface of what a gender-sensitive response should look like in the context of Malaysian society and the pandemic. While these steps require immense levels of government spending and coordination – they represent long-term investments with benefits that accrue in terms of higher worker productivity and economic growth as more women enter and stay in the labour force, and higher human capital development when children receive quality early education and care.

Beyond alleviating women's care burden, Malaysia also needs to take a more holistic approach to empowering women, including fielding and electing more women representatives and tackling issues that have grown in magnitude during the pandemic, such as domestic violence. If decisive action is not taken today, Malaysia risks undermining – or worse, reversing – what progress the country has made to meaningfully empower women.

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### Endnotes

- 1 In previous crises, men were the ones who were more disproportionately affected due to their clustering in cyclical sectors, such as manufacturing and construction. In contrast, women were more highly concentrated in less cyclical sectors, such as healthcare and education.
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- 23 TASKAs (*Taman Asuhan Kanak-Kanak*) refer to nurseries that cater to the childcare needs of children 0–4 years old. TADIKAs (*Taman Didikan Kanak-Kanak*) refer to kindergartens or preschools that serve the early education needs of children 4–6 years old.
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- <sup>32</sup> International Labour Organisation. (2014). *Maternity and paternity at work: Law and practice across the world*. Geneva: International Labour Office. Retrieved from: [https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms\\_242617.pdf](https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/publication/wcms_242617.pdf)
- <sup>33</sup> Government-funded leave that is dispensable over a certain number of days when an informal worker is sick or infected with Covid-19. This has most recently been piloted in Australia, where eligible irregular workers will be given up to five days of sick pay a year at the national minimum wage.
- <sup>34</sup> Staab, S., Qayum, S., & Diallo, B. (2020). COVID-19 and the care economy: Immediate action and structural transformation for a gender-responsive recovery. *Policy Brief No. 16*. New York: UN Women. Retrieved from: <https://www.unwomen.org/en/digital-library/publications/2020/06/policy-brief-covid-19-and-the-care-economy>
- <sup>35</sup> In the 2020 supplementary budget, one-off payments of RM300 were offered to vulnerable groups such as single mothers.
- <sup>36</sup> The i-Suri incentive under the authority of the government and the EPF offers housewives and female head-of-households monetary incentives and other benefits based on their contributions.