

## Current Status and Policy Issues of the Crisis in Women's Work amid the COVID-19 Pandemic\*

Authors: Ki Taek Jeon (Senior Research Fellow, Research Center for Women's Labor Policy, Korean Women's Development Institute),  
Jin Kyung Bae (President, Korean Women Workers Association)

### Summary

- **The labor crisis triggered by the COVID-19 pandemic is largely affecting women who are more vulnerable in the labor market compared to men.**
  - Women are already experiencing poor working conditions in the labor market due to unstable employment status (non-regular employment, temporary employment, etc.), their concentration in small-scale businesses and in face-to-face services, their responsibilities both at work and family, and so on.
  - The number of female employed people dropped more sharply than that of male employed people over the span of a year, and this drop predominantly occurred among women working in accommodation, food services activities, and education, which are categorized as face-to-face services; women who are in temporary employment; women working for small-scale business; and women in the age group who are likely to be experiencing childbirth and childcare.
- **The following points illustrate major examples of the labor crisis connected to COVID-19 chiefly affecting women.**
  - Women in non-regular employment are first in line for dismissals: Women in non-regular employment often do not receive wages during their leave of absence, and are sometimes excluded from the government's employee retention subsidy policy.
  - Many women are exposed to poor work environment in certain industries: In case call center employees work from home due to the risk of infection, the employees must often set up the appropriate work environment by themselves. It is feared that the jobs that typically employ many female workers, such as the occupations connected to education, accommodation and food services, etc., would witness wage decline while the infection continues to spread.

- Female workers in their 20s: Female workers in their 20s experience a high risk of dismissal as their years of employment are typically short, and they are often assigned to tasks with less importance and weight. In fact, many women in their 20s reported gender discrimination in hiring and dismissals during the COVID-19 crisis.
- Female workers in a blind spot for the employment insurance: Since many female workers are not covered by the employment insurance, they are excluded from an array of government subsidies reserved only for those officially registered as workers.

- **This article proposes various policy measures to relieve the crisis in women's work amid the pandemic, such as the prevention of discrimination and dismissal targeting female workers; the creation and enhancement of the social value for a safe face-to-face working environment; the re-evaluation of the social value of care work; and the New Deal For Care and Carers.**

\* The Ministry of Gender Equality and Family (MOGEF) and the Korean Women's Development Institute (KWDI) held four rounds of 'Relay Discussion on the Women and Family Sector by Field in Relation to COVID-19' to analyze the status of women's work and income crisis, changes in family life and domestic violence triggered by COVID-19, and thereby to explore appropriate policy measures. This article is based on the presentation and discussion of 'The First Relay Discussion on the Women and Family Sector by Field in Relation to COVID-19' which focused on the theme "Current Status and Policy Issues of the Crisis in Women's Work amid the COVID-19 Pandemic".

## Changes in women's jobs since the outbreak of the COVID-19 pandemic<sup>1)</sup>

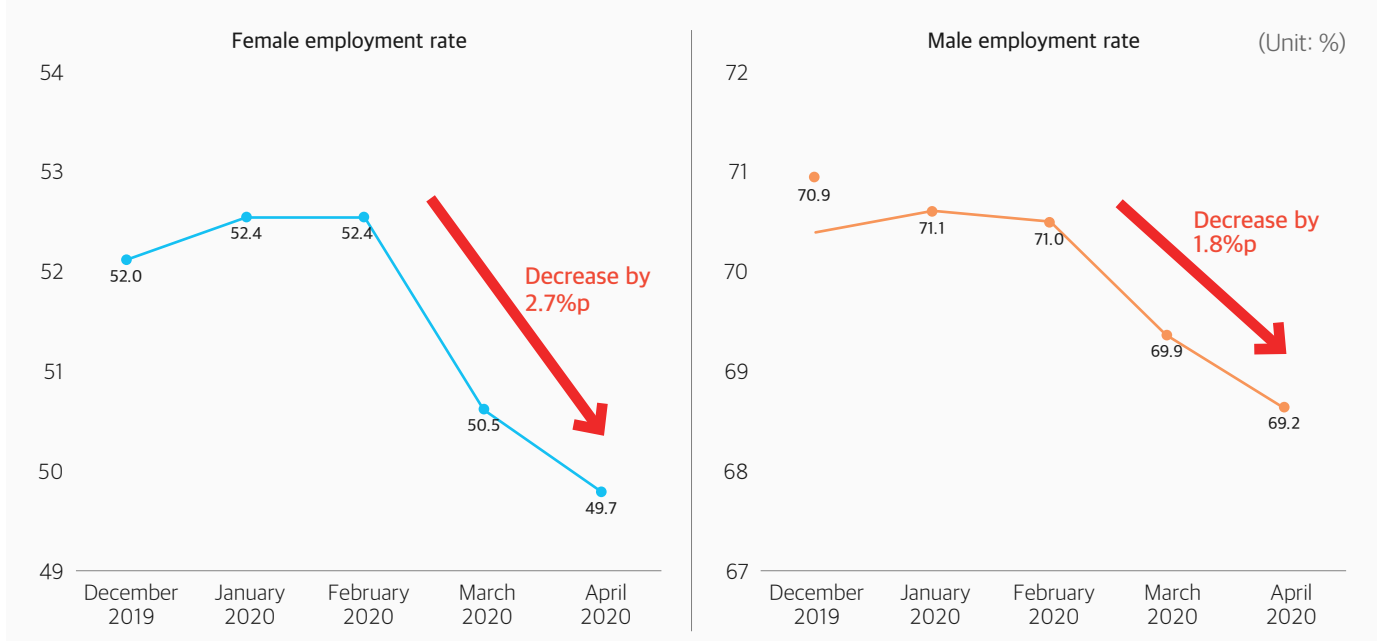
### Changes in women's employment amid the spread of COVID-19

- The decline in female employment rate from February 2020 to April 2020 was 1.5 times higher than the decline in male employment rate.
  - The female employment rate decreased by 2.7%p from 52.4% in February 2020 to 49.7% in April 2020, while the male employment rate decreased by 1.8%p from 71.0% to 69.2% during the same period <Figure 1>.
- The decrease in the number of female employed people from February 2020 to April 2020 was 1.5 times higher than the decrease in the number of male employed people.
  - The number of female employed people decreased by about 617,000 from about 11,905,000 in February 2020 to about 11,287,000 in April 2020, while the number of male employed people decreased by 401,000 from about 15,618,000 to about 15,217,000 during the same period <Figure 2>.
- The number of people on temporary leave increased from February 2020 to April 2020, and the increase was higher for women than men.

1) This section is a partial excerpt from the presentation by Ki Taek Jeon (Head of the Research Center for Women's Labor Policy, Korean Women's Development Institute) on the "Changes in Women's Jobs since the Outbreak of the COVID-19 Pandemic and Policy Outlook".

- The number of those classified as employees but are on temporary leave due to a business slump or cessation of operation increased dramatically since February 2020, with a sharper increase among women than men.
- The number of women on temporary leave increased from about 73,000 in February to about 616,000 in March, while the number of men on temporary leave increased from about 77,000 to about 366,000 in March <Figure 3>.

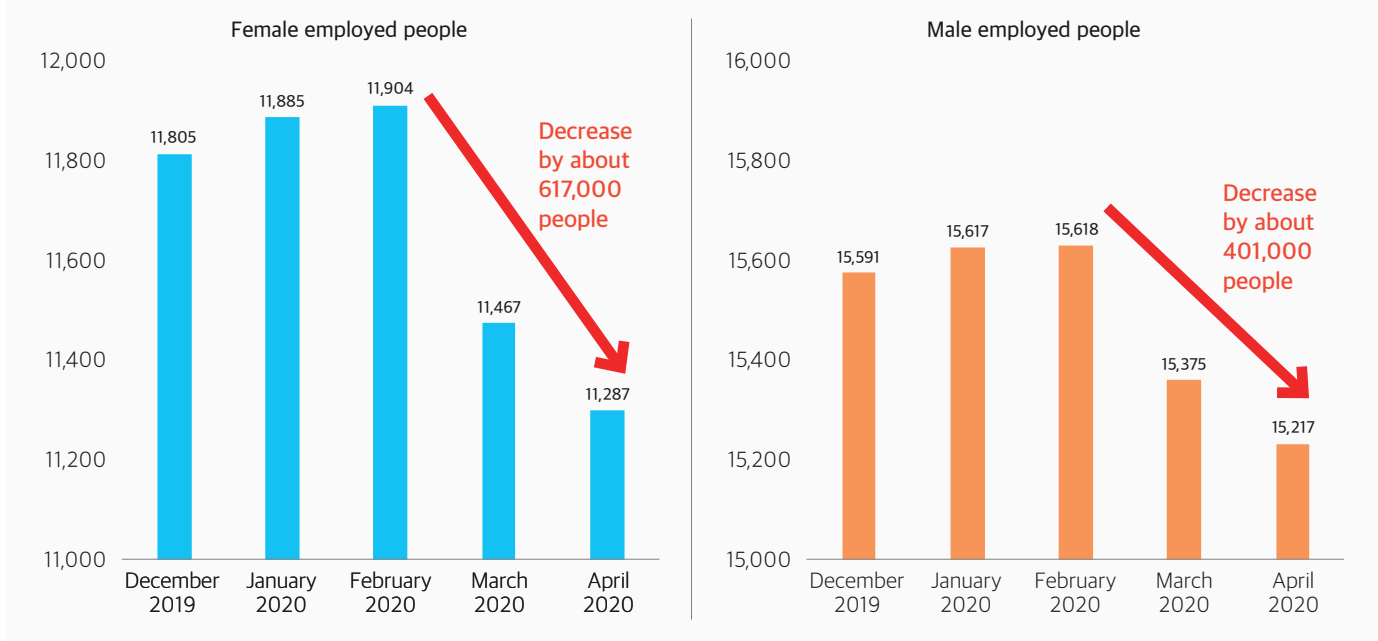
[Figure 1] Changes in employment rates by gender during the COVID-19 pandemic



Source: Statistics Korea, 「Economically Active Population Survey, seasonally adjusted data」

[Figure 2] Changes in the number of employed people by gender during the COVID-19 pandemic

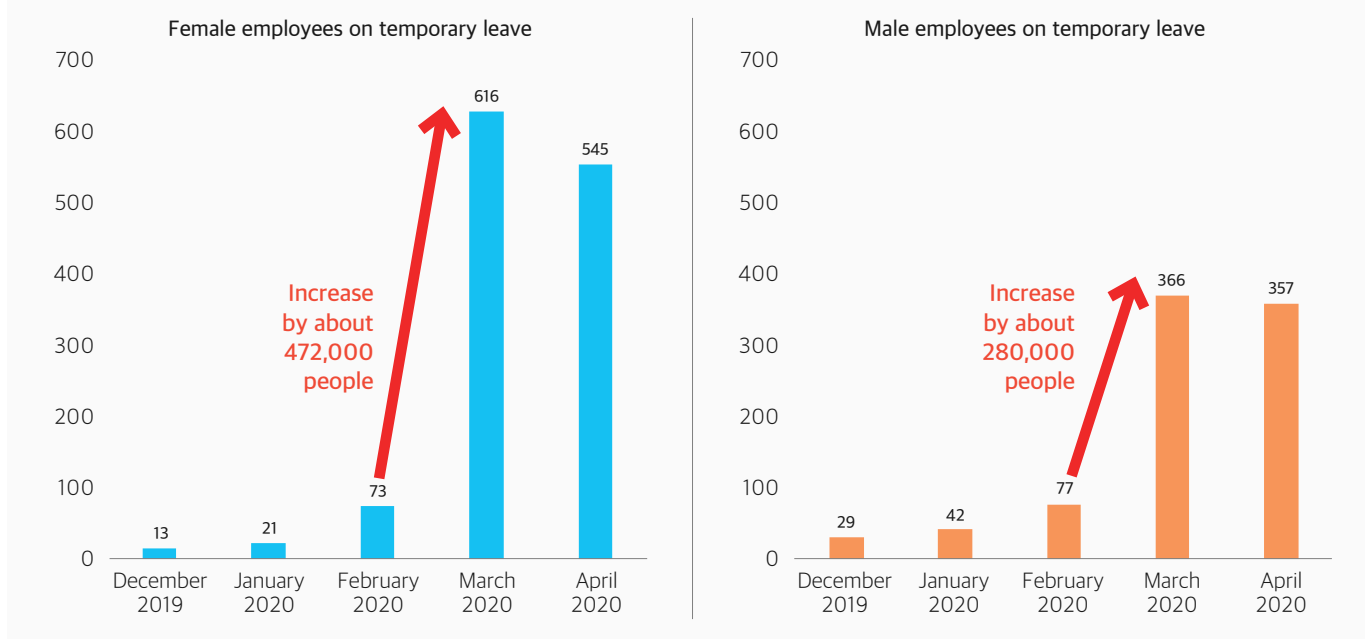
(Unit: 1,000 people)



Source: Statistics Korea, 「Economically Active Population Survey, seasonally adjusted data」

[Figure 3] Changes in the number of people on temporary leave by gender during the COVID-19 pandemic

(Unit: 1,000 people)



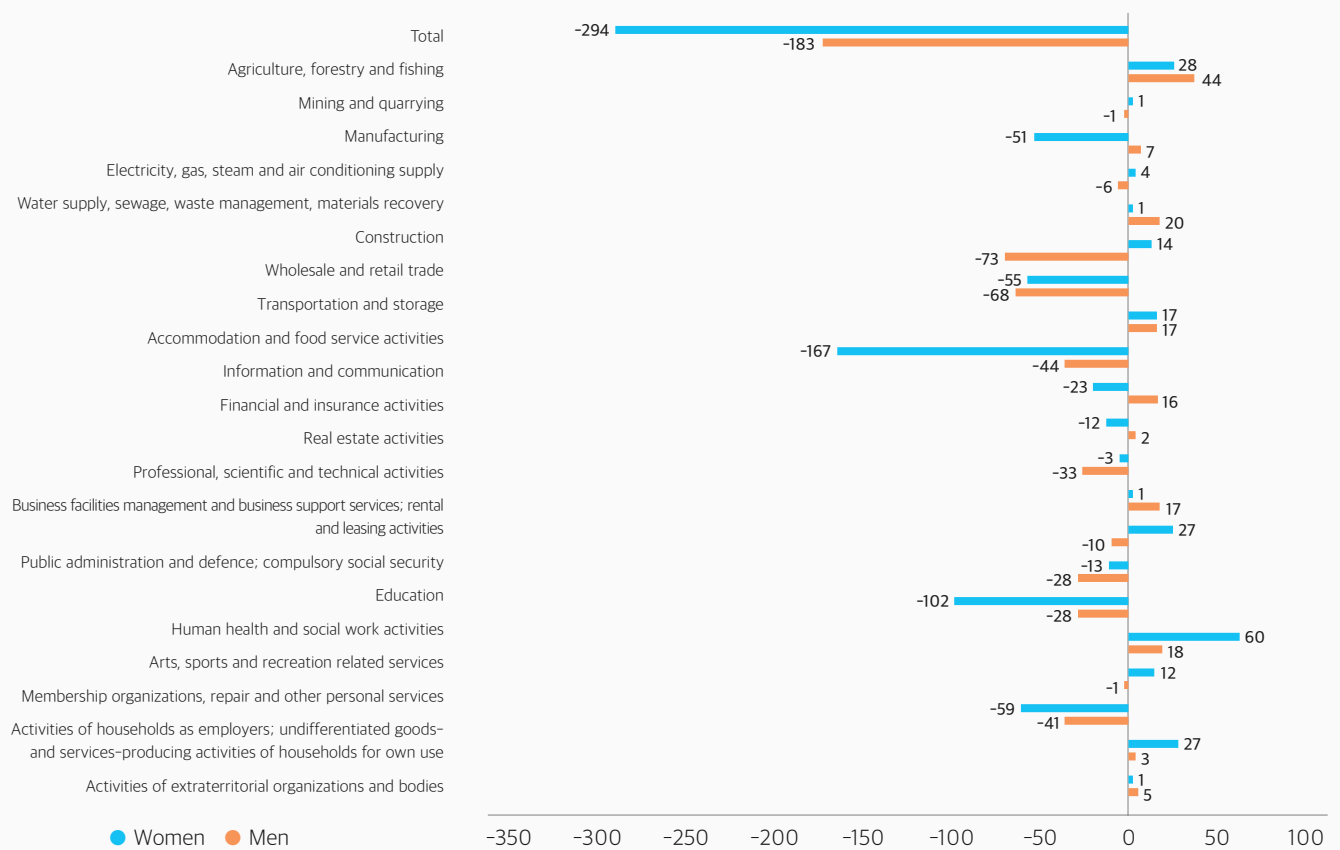
Source: Statistics Korea, 「Economically Active Population Survey, seasonally adjusted data」

#### Changes in the number of female employed people in April 2019 - April 2020

- The number of employed people in April 2020 compared to April 2019 decreased by about 294,000 for women and by about 183,000 for men.
  - The reason for the steeper decline in female employment compared to male employment is because women in general are exposed to poorer working conditions than men (e.g., concentration of work in face-to-face services and small-scale businesses; high proportion of temporary employment; career interruption due to childbirth and childcare).
- (Industry) The number of employed people in April 2020 compared to April 2019 decreased predominantly for accommodation and food services activities, and education, and the decrease was mostly experienced by women.
  - The number of employed people in April 2020 compared to April 2019 decreased by about 167,000 for women (about 44,000 for men) in accommodation and food services activities, and by about 102,000 for women (about 28,000 for men) in education <Figure 4>.
- (Status of worker) The decline in the number of female employed people in April 2020 compared to April 2019 were concentrated among temporary employees.
  - The number of temporary employees in April 2020 compared to April 2019 decreased by about 370,000 for women (about 218,000 for men) <Figure 5>.

**[Figure 4] Changes in the number of employed people by industry in April 2020 compared to April 2019**

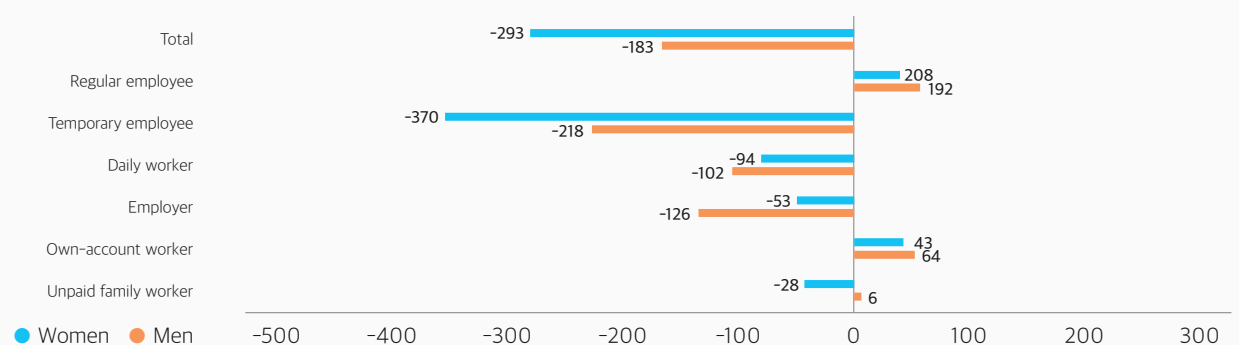
(Unit: 1,000 people)



Source: Statistics Korea, 「Economically Active Population Survey」

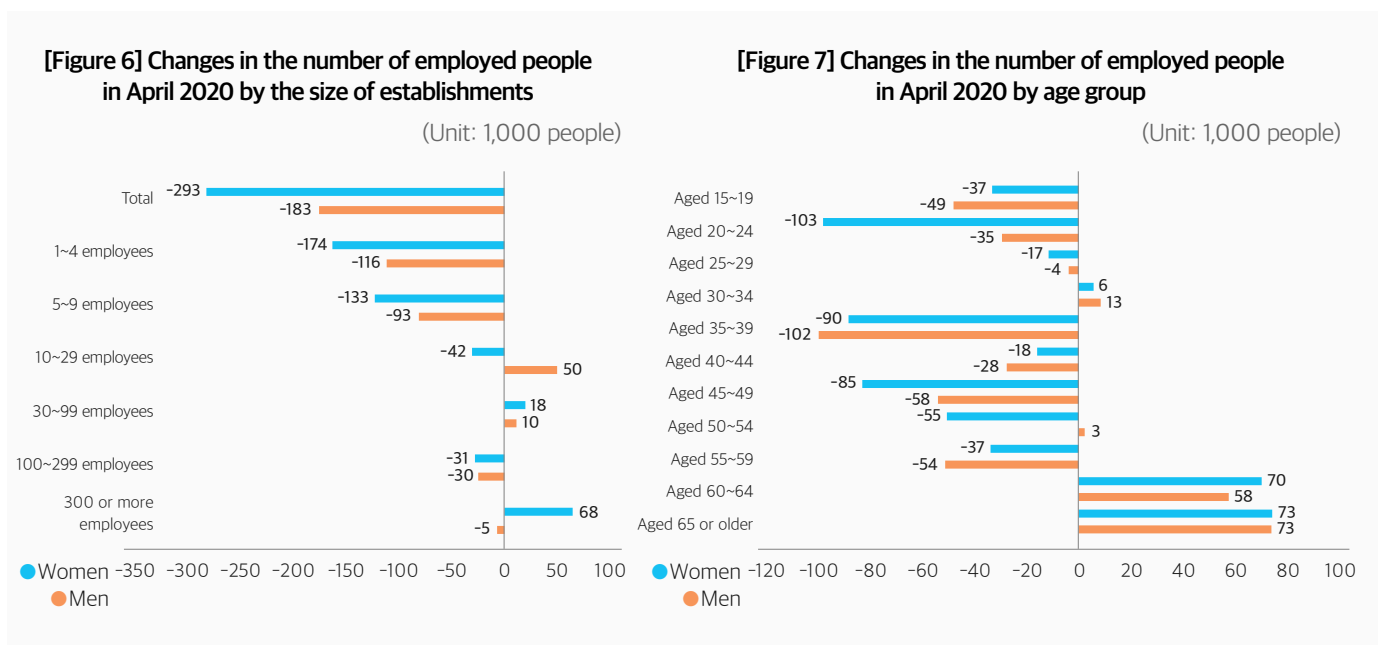
**[Figure 5] Changes in the number of employed people by status of worker in April 2020 compared to April 2019**

(Unit: 1,000 people)



Source: Statistics Korea, 「Economically Active Population Survey」

- (Size of establishments) The decline in the number of female employed people in April 2020 was concentrated in establishments with nine or fewer employee
  - The decrease in the number of employed people in April 2020 was about 174,000 for women (about 116,000 for men) in establishments with 1~4 employees, and about 133,000 for women (about 93,000 for men) in establishments with 5~9 employees <Figure 6>.
- (Age group) The decrease in the number of female employed people in April 2020 mainly occurred among those in their early 20s who are likely to be entering the labor market for the first time, and those in their late 30s who are likely to be experiencing childbirth and childcare.
  - The decrease in the number of employed people in April 2020 was about 103,000 for women in their early 20s (about 35,000 for men) and about 90,000 for women in their late 30s (about 102,000 for men) <Figure 7>.



Source: Statistics Korea, 「Economically Active Population Survey」

# The labor crisis disproportionately affects women<sup>2)</sup>

## 🔗 The labor crisis due to COVID-19 disproportionately affects women: Major cases

- Women in non-regular employment are first in line for dismissals.
  - The crisis in the labor market triggered by the COVID-19 pandemic led to the dismissals of many women in non-regular employment. Women in non-regular employment usually do not receive wages during their leave of absence, and are therefore often excluded from the government's employee retention subsidy policy.

### <A case of non-regular female employees working at the airport>

Non-regular female employees working at the Incheon International Airport Terminal took turns between the employees to extend their unpaid leave while waiting for normalization. However, they ended up being notified of their dismissals, as the contractor announced that it would no longer hire them<sup>3)</sup>

- Certain industries expose many women to poor work environment and problems.
  - The cluster infections of COVID-19 at call centers revealed the risky work environment during the spread of the infectious disease. Thus, the situation demands a strengthening of relevant safety standards to address the danger associated with the high-density work environment and an enhancement in employers' responsibilities regarding safety management.
  - Working from home can place extra burdens on women, as employers may shift their responsibilities regarding the provision of appropriate work space, tools, and other expenses to their employees.
  - The face-to-face contact service industries predominantly employing women, such as education, wholesale and retail trade, accommodation and food services, have seen plummeting demand due to the COVID-19 pandemic, and are facing problems such as reduced wages, constant concerns about infections, etc. The situation is especially dire for marginal part-time workers who mainly work in the service industry.

### < case of call-center employees working from home>

Faced with the urgent need to implement the work-from-home arrangement, the call center workers organized the required work environment, production tools, various expenses, etc. that were supposed to be covered by their employer. The employers neither supported the employees nor paid for transportations or meals which were normally incorporated in wages<sup>4)</sup>

2) This section is a partial excerpts from the presentation by Jin Kyung Bae (President of the Korean Women Workers Association) on the "Recommendations for Gender Equal Labor and the 'New Deal for Care and Carers'".

3) OhmyNews, May 29, 2020, Seulgi, Ansan Women Workers Committee, "The company is healthy, but female employees are facing dismissals... A hope for the elimination of indirect employment"

- Female workers in their 20s in particular experience strong gender discrimination.
  - Female workers in their 20s experience a high risk of dismissal as their years of employment are typically short, and they are often assigned to tasks with less importance and weight. In fact, many women in their 20s reported gender discrimination in hiring and dismissals during the COVID-19 crisis.

**<A case of the unilateral dismissal of probationary employees in their 20s>**

The contracts of female workers at a cosmetics company were expected to be renewed after their probationary periods. However, after two months into their employment, the company notified them of the unilateral dismissal of their probations citing management difficulties.<sup>5)</sup>

- Female workers are in a blind spot for the employment insurance.
  - Among those who are qualified to be covered by the employment insurance, the actual proportion of employment insurance subscribers (70.9%) include less women (66.2%) than men (74.6%). More than half (50.7%) of economically active women are not covered by the insurance, and nor are they subscribed to the insurance.

**🕒 Care work must go on despite the pause in other works.**

- Despite being an essential work for society, care work is concentrated among women and are undervalued.
  - Although care work is an essential job for the society, it has been consistently undervalued and disproportionately taken up by women, establishing itself as a typical low-wage and non-regular job.
  - The COVID-19 crisis is deteriorating the working conditions of care work, due to heightened workload and concerns about infection, but current policies do not address these issues adequately.

**[Figure 8] Crisis in care work**

**Sexism in distribution**

Almost exclusively taken up by women

**Low wage**

Undervaluation  
Excessive workload  
Low wage  
Employment instability

**The COVID-19 crisis**

High risk of infection

4) OhmyNews, May 19, 2020, Summer, Seoul Women Workers Association, "As soon as they started working from home, their salaries dropped... Call center workers are hit with a double whammy"

5) OhmyNews, June 2, 2020, Mi Young Park, Masan-Changwon Women Workers Association, "Service industry, women, 20s... A 'full package for labor disaster' amid COVID-19"



- The absence of social care leads to increased burden on families.

- As the number of economically inactive women increased and social care halted during the spread of COVID-19, household chores and the burden of care became concentrated among women, and the continued burden of care is feared to increase women's career interruption and decrease women's participation in economic activities.

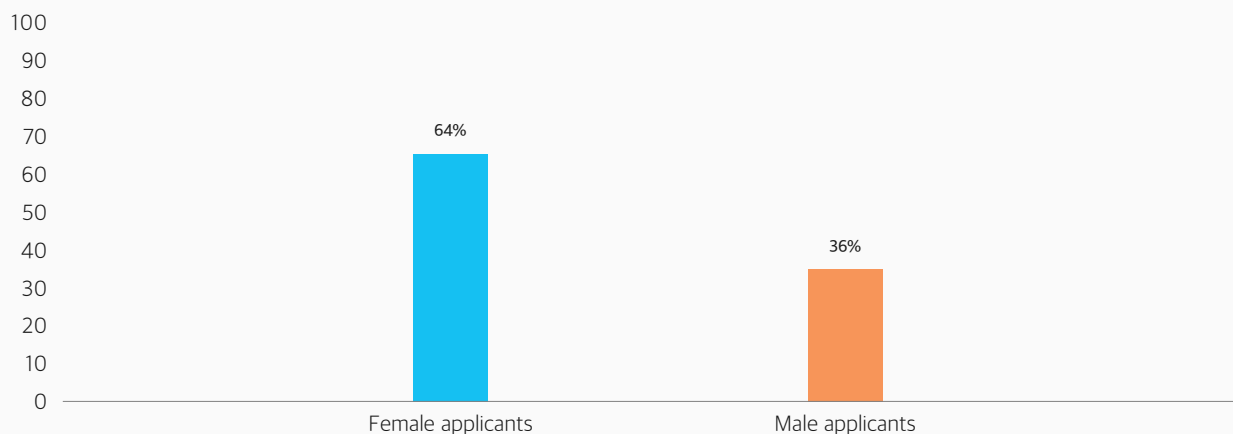
**[Table 1] Year-on-year changes in the number of economically inactive people due to childcare and housework**

Category	Childcare by women	Childcare by men	Housework by women	Housework by men
March 2020	↑24,000 people	↓2,000 people	↑79,000 people	↓4,000 people
April 2020	↑58,000 people	↓3,000 people	↑215,000 people	↑9,000 people

Source: Statistics Korea, 「Economically Active Population Survey」

- Women were found to use family care leave much more frequently than men to provide care for their families during the COVID-19 crisis. This confirmed that women were disproportionately burdened with the responsibility of care needed for the family.

**[Figure 9] Users of the family care leave during the spread of COVID-19 by gender**



Note: Applicant statistics until May 8 after the spread of COVID-19

Source: Ministry of Employment and Labor (May 10, 2020), "27.1 billion won to be provided to 83,000 people for emergency support towards family care expenses" [http://www.moel.go.kr/news/enews/report/enewsView.do?news\\_seq=10961](http://www.moel.go.kr/news/enews/report/enewsView.do?news_seq=10961)

# Prospects and tasks regarding work for women in a post COVID-19 environment

Prospects	Tasks
<p>❶ The recurrence of large-scale COVID-19 spread would lead to a cyclic decline in women's employment and increase temporary leave of absence.</p> <p>❷ The recurrence of large-scale COVID-19 spread would lead to a cyclic decline in women's employment and increase temporary leave of absence.</p>	<p><b>Prevent the decline in female employment and expand the training of female health care workers.</b></p> <ul style="list-style-type: none"> <li>• Expand the employment insurance subscription for all female unemployed people and those on temporary leave.</li> <li>• Pay employment creation incentives for women to promote the reemployment of unemployed women.</li> <li>• Focus on and manage the industries and establishments contributing to the crisis in work among women during the large-scale outbreak of an infectious disease.</li> <li>• Prevent discrimination and dismissal of female workers during the large-scale outbreak of an infectious disease.</li> <li>• Implement active measures to train and advance female health care workers in various fields.</li> </ul>
<p>❶ The perpetuation of social distancing would reduce the demand and supply of female workforce based on face-to-face contact.</p> <p>❷ The number of female workers in non-face-to-face contact services, including female platform workers, would increase.</p> <p>❸ The demand for proper compensation would expand to reflect the safety assurance, risk, etc. associated with essential non-face-to-face work such as care, etc.</p>	<p><b>Improve working conditions for women in non-face-to-face contact industries such as platform work, etc. and enhance the work safety and status of essential face-to-face contact services.</b></p> <ul style="list-style-type: none"> <li>• Expand the demand for female workers in face-to-face contact labor by improving the way they work.</li> <li>• Prevent discrimination against female platform workers in platform companies, etc. and protect their rights and interests.</li> <li>• Acknowledge the career of female platform workers and set up a fair compensation system.</li> <li>• Build a safe environment for female workers performing face-to-face contact labor and for service users.</li> <li>• Establish an appropriate compensation system that reflects the risks and social values of face-to-face contact labor.</li> </ul>
<p>❶ With the spread of COVID-19, and the resulting expansion of region-based logistics due to consumer ethnocentrism, the demand for female workforce would increase.</p> <p>❷ Female employment will decrease in the tourism industry, etc. due to the shrinking overseas travel market.</p>	<p><b>Support the training and advancement of female workforce into the domestic logistics industry.</b></p> <ul style="list-style-type: none"> <li>• Administer a career-maintenance program for female workers in the field related to overseas travel.</li> <li>• Operate a program to expand women's entry into the logistics sector.</li> </ul>

전망	과제
<p>❶ The demand for care connected to COVID-19 would expand.</p> <p>❷ The need for proper assessment of care work would increase.</p> <p>❸ The demand for male participation in care and the sharing of responsibilities within families would expand.</p> <p>❹ The need for safe work environment for care work would emerge.</p>	<p>The 'New Deal for Care and Carers' is required in order to secure the safety of face-to-face care and to socially reconstruct care work.</p> <ul style="list-style-type: none"> <li>• Add new workforce to share the care workload increased due to COVID-19.</li> <li>• Improve the valuation of care and the treatment of care workers, companies, etc. and protect their rights and interests.</li> <li>• Improve the division of care responsibilities, awareness on care, paid care leave, and male-centered long-term work system.</li> <li>• Establish a safety assurance system against infection, such as the provision of protective equipment, establishment of a safe environment, etc.</li> </ul>