

Current Status and Policy Issues of the Crisis for Female Workers Who Have Been Left in the Blind Spot of Employment Safety Net Since the COVID-19 Pandemic¹⁾

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Summary

- The economic downturn precipitated by the COVID-19 pandemic led to labor crises for workers providing face-to-face services, which are associated with high infection risk, and for those engaged in jobs that do not guarantee their legal status as workers. This in turn triggered job losses and income reduction for many female workers.
- The Korea Women's Development Institute (KWDI) surveyed people working in the care and education sectors with a typically high concentration of female workers, including domestic workers, childcare providers, and after-school teachers, to investigate the changes in their jobs and incomes before and after the COVID-19 crisis and to analyze policy requests. All three groups including domestic workers, childcare providers, and after-school teachers reported some degree of job and income reduction. The survey found that domestic workers and after-school teachers mainly provided face-to-face service and had relatively low Employment Insurance subscription rates as they are categorized as non-salaried workers. Childcare providers were found to have relatively high Employment.
- In efforts to overcome these occupations' employment and income crises, the current study proposes customized directions for policy improvement, including the securing of basic income, job stability, etc. addressing the treatment and conditions of the three occupations.

1) 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 the crisis in women's employment and income, changes in family life and domestic violence triggered by COVID-19, and thereby to explore appropriate policy measures. This article is excerpt from the presentation for the second round of the relay discussion (held in June 18, 2020) which focused on the theme "Current Status and Policy Issues of the Crisis for Female Workers Who Have Been Left in the Blind Spot of Employment Safety Net Since the COVID-19 Pandemic".

Survey outline

Category	Content
Survey target	A total of 1,096 people (290 domestic workers, 500 childcare providers, 306 after-school teachers) - Age group: 58.5% of the after-school teachers surveyed were in their 40s; 60.8% of the childcare providers and 50.3% of the domestic workers were in their 50s. - Marriage status: For all three groups, about 80% were married; 14.4% of the childcare providers and 22.4% of the domestic workers were divorced/widowed.
Survey period	June 4 ~ June 8, 2020 (five days)
Survey method	Web survey (surveyed through relevant vocational organizations and trade unions)
Survey content	Changes in jobs and income before and after the COVID-19 crisis; awareness on and the utilization of the government's employment support policies; life satisfaction level before and after the COVID-19 crisis; and more
Surveyed by	Hankook Research Co., Ltd.

Jobs, hours of work, and income have all decreased since the COVID-19 pandemic.

- All three types of occupations including domestic workers, childcare providers, and after-school teachers reported jobs and income reduction due to the continuation of social distancing, delay to the start of term, and online classes during the COVID-19 pandemic.
 - The study compared the number of jobs, hours of work, and average monthly income before and after COVID-19, and found that all three occupations experienced jobs and income reduction. In particular, due to school closures and online classes, most schools did not operate after-school programs, which led to the after-school teachers experiencing more crisis in terms of jobs and income reduction compared to the other groups [Table 1].
- With the onset of the COVID-19 pandemic, 94.4% of the after-school teachers experienced a decrease in hours of work and 99.7% experienced a decrease in average monthly income. Before the COVID-19 pandemic, the after-school teachers had the highest average monthly income among the three occupations, but the rate of decrease in their income after the COVID-19 pandemic amounted to 98.8% (2,239,000 won before COVID-19 → 27,000 won after COVID-19)
- The average monthly incomes of the domestic workers and the childcare providers before COVID-19 were found to be just over one million won. The domestic workers experienced a higher reduction in average monthly income compared to the childcare providers.

[Table 1] Changes in jobs before and after the COVID-19 pandemic

(Unit: %)

Category	Target households or schools*		Hours of work (weekly)		Average monthly income		
	Reduction **	Change before and after COVID-19 (number)	Reduction	Change before and after COVID-19 (hours)	Reduction	Change before and after COVID-19 (10,000 won)	Rate of increase or decrease
Domestic workers	74.1	4.2 → 2.3	76.2	21.7 → 13.2	85.9	112.3 → 63.9	-43.10%
Childcare providers	43.2	1.8 → 1.2	69.4	22.8 → 15.3	71	123.5 → 88.1	-28.70%
After-school teachers	91.5	3.2 → 0.4	94.4	13.3 → 0.9	99.7	223.9 → 2.7	-98.80%

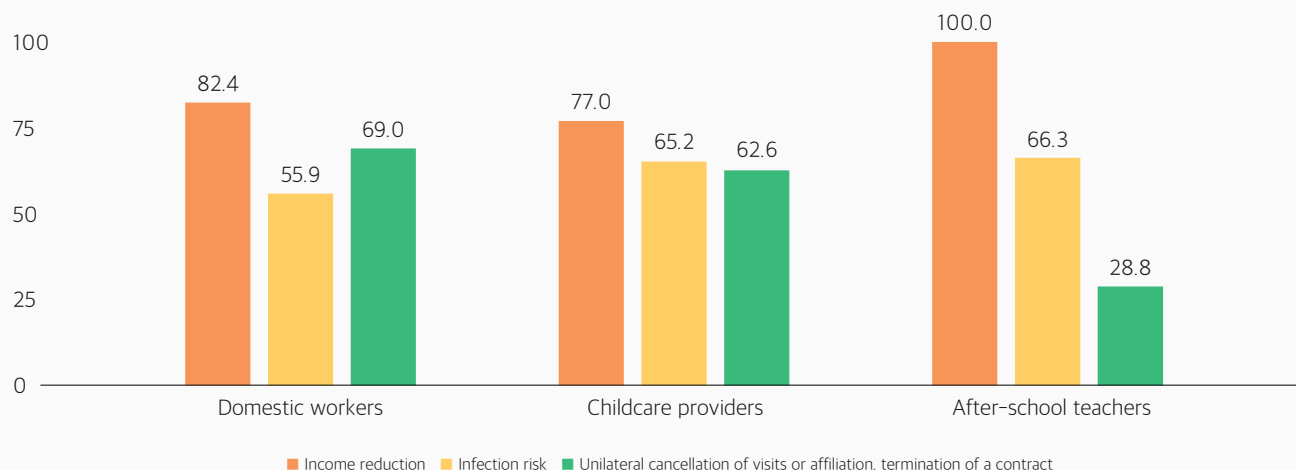
Note: * 'Target households or schools' refers to: households visited by the domestic workers; households using care service from the childcare providers; and schools provided with classes by the after-school teachers.

** 'Reduction' refers to the percentage of respondents who reported that they experienced a 'reduction' in the respective area.

- During the COVID-19 pandemic, income reduction is a major challenge for the three occupations, whose main task involves providing face-to-face services related to care and education. Infection risk and unilateral cancellation of visits or affiliation were also pointed out as a common threat.
 - The respondents from all three occupations chose 'income reduction' as the greatest hardship caused by the COVID-19 pandemic. For the second greatest hardship, the childcare providers and the after-school teachers chose 'infection risk', while the domestic workers chose 'unilateral cancellation of visits or affiliation' [Figure 1].
- Domestic workers: 'income reduction' 82.4%; 'unilateral cancellation of visits or affiliation' 69.0% ; 'infection risk' 55.9%
- Childcare providers: 'income reduction' 77.0%; 'infection risk' 65.2%; 'unilateral cancellation of visits or affiliation' 62.6%
- After-school teachers: 'income reduction' 100.0%; 'infection risk' 66.3%; 'unilateral cancellation of visits or affiliation' 28.8%

[Figure 1] Experience of hardship triggered by the COVID-19 pandemic

(Unit: %)



Note: The data shows the proportions of respondents who reported that they 'agree'; and 'agree' represents the combined responses to 'extremely agree' and 'agree'.

Less than 10% of the domestic workers and after-school teachers surveyed have subscribed to Employment Insurance.

- At least 60% of the respondents in each of the three occupations had five or more years of experience, which confirmed that these occupations were the 'main jobs' for the respondents, instead of simply being transient jobs [Table 2].
 - Well over half of the respondents had at least five years of work experience in their occupations, with 82.9% of the after-school teachers, 64.5% of the domestic workers, and 60.8% of the childcare providers reporting five or more years of experience.
 - Because after-school teachers in general are in charge of the special ability and aptitude education for elementary school students, they are more likely to be equipped with university degree or higher compared to the other two occupations.

[Table 2] Work experience and education attainment of the domestic workers, childcare providers, and after-school teachers

(Unit: %)

Category	Work experience		Education attainment*		
	Less than five years	At least five years	High school diploma or less	College diploma	University diploma or higher
Domestic workers	35.50%	64.50%	87.9	7.6	4.5

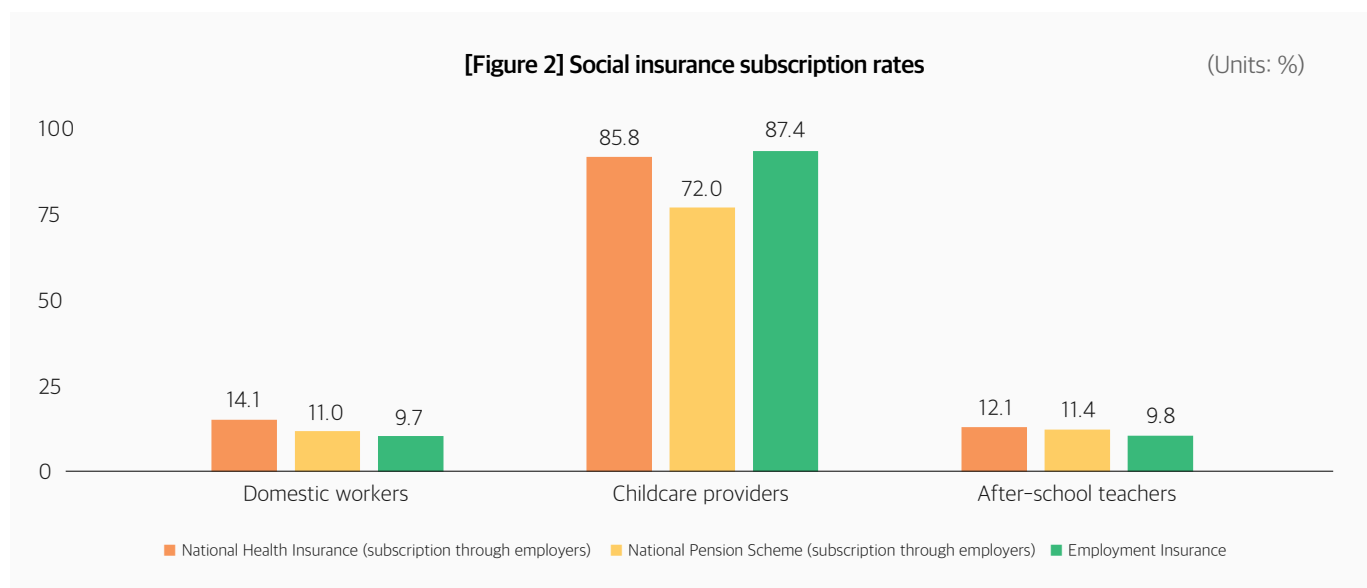
Category	Work experience		Education attainment*		
	Less than five years	At least five years	High school diploma or less	College diploma	University diploma or higher
Childcare providers	39.20%	60.80%	58.2	22.2	19.6
After-school teachers**	17.10%	82.90%	–	23.5	72.5

Note: * The total may be less than 100%, as the data excluded 'I don't know / no response' for the responses on education attainment.

**Because the recruitment for after-school teachers is often limited to applicants with 'professional skills or relevant certificates in the field,' few after-school teachers have high school diploma or less.

- The proportions of respondents who have subscribed to social insurance, which functions as a social safety net, were found to vary according to the respondents' occupations. The Employment Insurance subscription rates for the domestic workers and the after-school teachers were found to be especially low, at less than 10% [Figure 2].

- Domestic workers (subscription rates): National Health Insurance (subscription through employers) 14.1%, National Pension Scheme (subscription through employers) 11.0%, Employment Insurance 9.7%
- Childcare providers (subscription rates): National Health Insurance (subscription through employers) 85.8%, National Pension Scheme (subscription through employers) 72.0%, Employment Insurance 87.4%
- After-school teachers (subscription rates): National Health Insurance (subscription through employers) 12.1%, National Pension Scheme (subscription through employers) 11.4%, Employment Insurance 9.8%

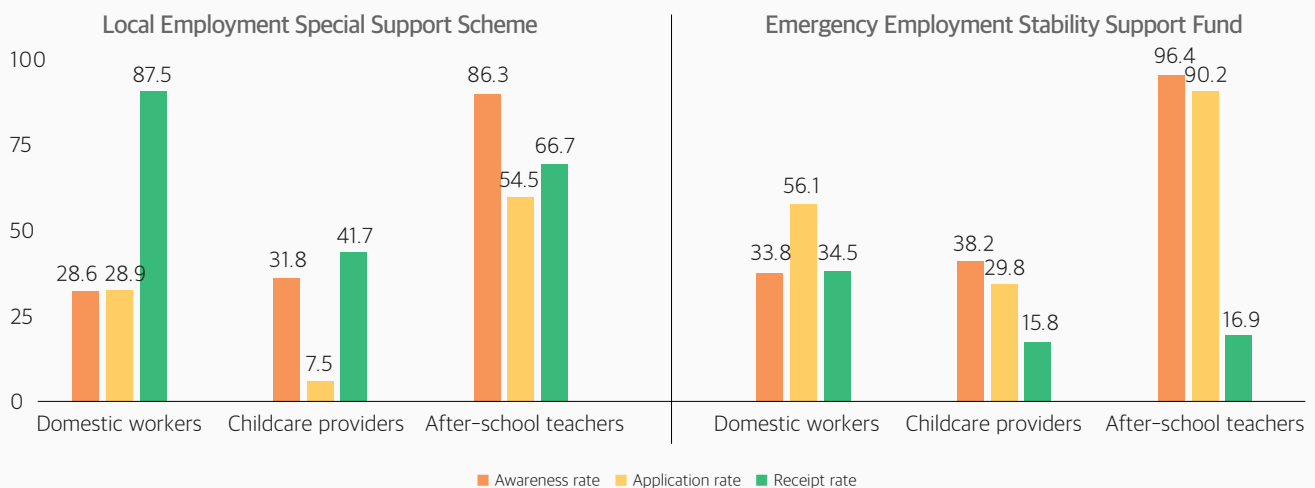


Note: The subscription rates for the National Health Insurance and the National Pension Scheme are based on subscriptions through employers.

Not many respondents have benefited from the income support policies amid the COVID-19 pandemic.

- The survey found that only a moderate number of the respondents knew about, applied for, and benefited from the government's support policies aimed at stabilizing employment and livelihood.
 - Among the domestic workers who responded to the survey, those who were aware (33.8%) of the Emergency Employment Stability Support Fund decided to apply for the scheme (56.1%) and then successfully received it (34.5%). Among the childcare providers surveyed, 38.2% were aware of the scheme, but only 29.8% decided to apply for it, and 15.8% ended up receiving it. Among the after-school teachers surveyed, 96.4% were aware of the scheme, and 90.2% decided to apply for it, but only 16.9% received it.
 - Among the domestic workers surveyed, 28.6% were aware of the Local Employment Special Support Scheme, 28.9% applied for the scheme, and 87.5% successfully received it. Among the childcare providers surveyed, 31.8% were aware of the scheme, 7.5% applied for it, and only 41.7% received it. Among the after-school teachers surveyed, 86.3% were aware of the scheme, 54.5% applied for it, but only 66.7% received it.

[Figure 3] The proportions of those who were aware of, applied for, and benefited from the government support policies in response to the COVID-19 crisis (Unit: %)



- Note: ① The Local Employment Special Support Scheme is a system that pays the employment stability support funds of up to 500,000 won per month for two months in order to stabilize employment and livelihood for workers on unpaid leave for five days or longer (in small-scale businesses), or for special employment type workers and freelancers who experienced a sharp drop in income.
- ② The Emergency Employment Stability Support Fund is a system that pays the employment support funds to those who are not subscribed to Employment Insurance, including the special employment type workers, freelancers, small-scale business owners, or those on unpaid leave, if the worker fits any one of the following criteria: the worker earns 150% or below the median household income level; the individual worker earns an annual income of 70 million won or less; or the individual worker earns an annual sale of less than 200 million won.
- ③ 'Awareness rate' indicates the proportion of all respondents who gave positive answer to 'I am aware of the support scheme';

'Application rate' indicates the proportion of the 'respondents who applied or plan to apply for the support scheme'; 'Receipt rate' indicates the proportion of the 'respondents who received the support from the scheme'.

- The reason for not applying for the schemes was investigated among those who knew about the schemes but did not apply. The analysis showed that all three occupations cited being 'not eligible for the support' for any of the two schemes as their main reason for not making the application. Specifically, among the two schemes, the Emergency Employment Stability Support Fund was connected to higher rates of ineligibility for application than the other scheme. Among the three occupations, the childcare providers experienced higher rates of ineligibility compared to the other occupations [Table 3].
- In most cases, workers are deemed 'not eligible for the support' if they cannot prove that they are special employment type workers or freelancers, or when they cannot submit any document proving the extent of their income reduction even after successfully demonstrating that they are special employment type workers or freelancers. In fact, both schemes require special employment type workers and freelancers to prove their income reductions. However, since most domestic workers receive their incomes in cash directly from the households they visit, it is practically difficult to validate the extent of income reduction.

[Difficulties in obtaining documents that prove income reduction]

It involves a complicated document submission process. The workers will need to submit a document proving that the service fees were deposited into the association's account or the worker's bank account. For the association, it is especially difficult to prove income because most house managers receive their service fees directly or in cash... (Soon Rye Cho, a house manager from the Ansan branch of the National Association of Family Managers)²⁾

[Difficulties in applying the concepts such as 'layoff' or 'shutdown' to special employment type workers and freelancers]

They typically work according to service user demand, so it is difficult to apply the concepts such as 'layoff' or 'shutdown' to their work, or to obtain the status as 'special employment type workers or freelancers'... (Hyun Sook Kwon, a subcommittee chairperson of the Childcare Division, the Public Solidarity Labor Union of the General League for Democracy)³⁾

2) Jae Soon Kim (2020), "The Blind Spot of a Disaster: A Proposal to Promote the Legal Rights and Livelihood of Domestic Workers", Excerpt from the proceeding of the 'Relay Discussion on the Women and Family Sector by Field in Relation to COVID-19'

3) Hyun Sook Kwon (2020), "The Need to Implement the Livelihood Measures for Childcare Providers amid COVID-19 and to Introduce a National Responsibility System for Childcare", Excerpt from the proceeding of the 'Relay Discussion on the Women and Family Sector by Field in Relation to COVID-19'

[Table 3] The reason for not applying for the support despite knowing about the government support schemes*

Category		The respondent was not eligible for the support	The respondent gave up due to complicated application procedures	The respondent did not know how to apply
Domestic workers	Local Employment Special Support Scheme	57.6	27.1	10.2
	Emergency Employment Stability Support Fund	65.1	27.9	-
Childcare providers	Local Employment Special Support Scheme	76.2	16.3	4.8
	Emergency Employment Stability Support Fund	85.8	10.4	-
After-school teachers	Local Employment Special Support Scheme	70	15	1.7
	Emergency Employment Stability Support Fund	82.8	17.2	-

Note: * The proportion of 'reasons for not applying' was calculated based on those who answered 'did not apply' among those who reported 'I am aware of the support scheme'. The total is less than 100%, as the data does not include 'other' and 'plan to apply' among the reasons for not applying.

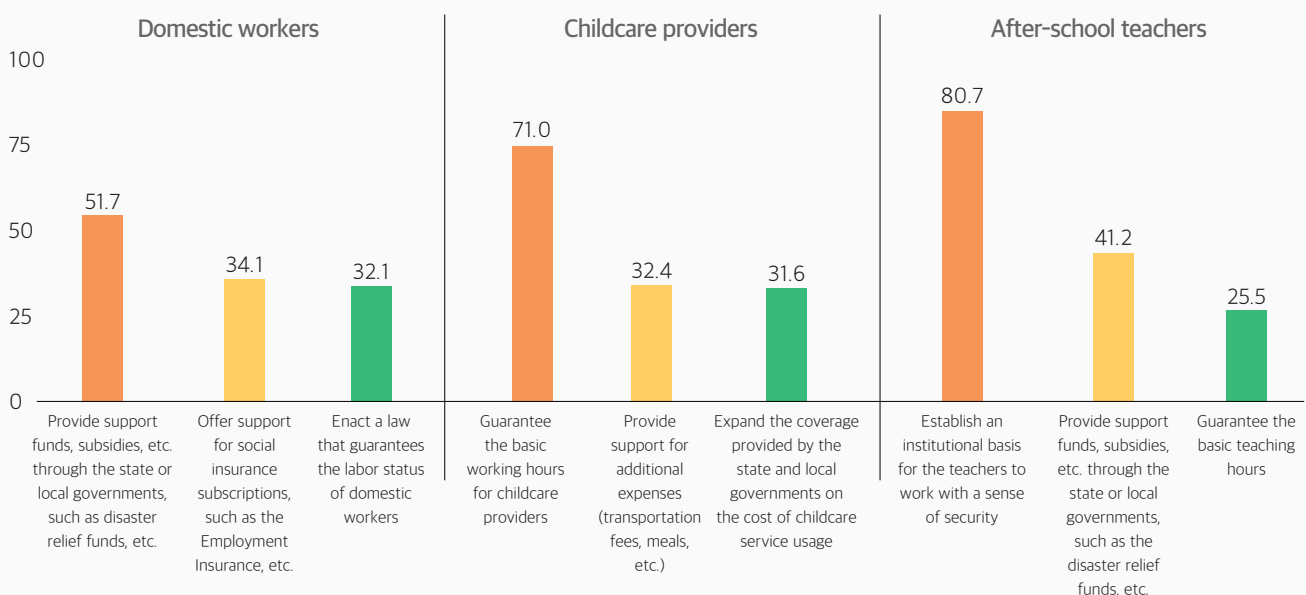
Demand for stable income, the guarantee of workers' status, and support for income loss due to COVID-19

- The survey found strong demands for: income support and the guarantee of social insurance as well as legal status among the domestic workers; the guarantee of the basic working hours to secure basic income among the childcare providers; and the establishment of an institutional foundation to ensure job stability and the preservation of income among the after-school teachers [Figure 4].
 - The domestic workers reported a large income reduction (43.1%) owing to the COVID-19 pandemic, and their Employment Insurance subscription rates were also extremely low. Consequently, they reported high demands on 'the support for disaster relief funds' (51.7%) to compensate for their income loss, and one out of three pointed out the necessity of the 'support for social insurance subscriptions' and the 'enactment of a law that guarantees the labor status' to stabilize their employment status.

- Although childcare providers tend to have guaranteed job security, their income is only moderate, and they are experiencing a further decrease in income (28.7% reduction in income) due to arbitrary cancellation from households using their service. Consequently, the highest proportion of them, with 71.0%, demanded the 'guaranteed basic working hours for childcare providers' to prevent the adverse effects of sudden cancellation of affiliation due to disasters such as COVID-19, and 32.4% demanded the 'support for additional expenses' besides fixed salaries.
- The after-school teachers reported the most dramatic loss of jobs and income, and their employment stability in general was also found to be extremely low. They reported that to improve the situation, the first priority should be to 'establish an institutional basis for the teachers to work with a sense of security' (80.7%) and the second priority should be to provide 'disaster relief funds, etc.' (41.2%), indicating high demands for the legal guaranteeing of teaching activities and customized funds to compensate for the vulnerability of their job security.

[Figure 4] Support policies that the respondents would like the government to implement amid COVID-19 (the first priority + the second priority)

(Unit: %)



The need for customized support policies: Restoring job stability by improving the treatment and job conditions for each occupation⁴⁾

- For the domestic workers, the government needs to prepare an income preservation mechanism and establish a safe work environment against infectious diseases in the short term, and also build a legal system to guarantee the workers' status in the long term.

- Domestic workers' income is rapidly decreasing as their customers continue to stop using their service in order to reduce the risk associated with face-to-face contact service amid the COVID-19 pandemic. Meanwhile, there is no mechanism that secures the safety of the workers against infection. Also, the Labor Standards Act does not recognize domestic workers' status as workers, so they are not eligible to receive unemployment benefits or shutdown allowances.

[Labor Standards Act] Article 11 (Scope of Application) ①

This Act shall apply to all businesses or workplaces in which not less than five employees are regularly employed: Provided, That this Act shall neither apply to any business or workplace in which only the employer's blood relatives living together are engaged, nor to servants hired for the employer's domestic works.

- Also, because they are typically employed by individual households, arbitrary cancellation occur frequently just before the provision of their service, which makes it tricky to apply the concepts such as 'shutdown' or 'layoff' to their work. In the absence of a business owner who can issue a confirmation of the fact that no labor has been provided, there is no way to prove their income reduction because the income is paid in cash. Due to this nature of their work, most domestic workers are not subject to the government's institutional support addressing the COVID-19 crisis.
- Therefore, with the COVID-19 pandemic continuing and recurring, it is necessary to establish practical support measures to compensate for the current income reduction in the short term, and prepare government guidelines aimed at creating a safe work environment to protect the workers against infection and sustain labor. In essence, relevant laws should be enacted and revised to secure their status as workers and protect their rights.

4) This section makes reference to and reorganizes the policy demands of the workers in the three occupations mentioned earlier and the section on policy demands presented in the discussion papers by Jae Soon Kim (President of the National Association of Family Managers), Hyun Sook Kwon (Subcommittee Chairperson of the Childcare Division, The Public Solidarity Labor Union of the General League for Democracy), and Soo Ok Park (Gyeonggi Branch Head of the After-school Teachers Labor Union).

- For childcare providers, the government needs to strengthen their income stability by guaranteeing basic working hours, and consider implementing extended hours of service by regarding their work as an axis of public care.
 - Childcare providers have relatively stable employment as they are incorporated into the government's care delivery system. However, they are not safe from the infection amid the COVID-19 pandemic, just as domestic workers are not safe from the risk of infection, either. Also, because their income is calculated based on working hours, a decrease in the number of households using their service leads to a decrease in their working hours as well as income. Some point out that although childcare service is essentially part of the public care, the government support provided for the households using the service is currently limited to 720 hours per year, which makes it difficult to expand the actual demand.
 - Therefore, the income calculation method for their work should be improved to guarantee a certain level of income, by incorporating guaranteed working hours, instead of simply calculating hours of work. At the same time, the quality and management of the care service should be strengthened. Also, the government and local governments should consider expanding the support in order to ease the burden on households and to broaden the scope of service (by increasing the annual support for the service usage time, the ratio of coverage for the use, etc.).
- For after-school teachers, the government should establish an institutional basis to guarantee their work and status legally, and thereby secure the public nature of the after-school education itself and enhance the stability of the teachers' labor.
 - Currently, after-school programs are responsible for 95.8% of the special ability and aptitude education at elementary schools⁵⁾, but there is currently no law that specifies any legal basis for after-school programs. Consequently, after-school teachers are not legally assigned any clear scope of work or status as workers.
 - After-school teachers are categorized as 'program consignor' and are thus treated as entrepreneurs instead of workers. Some of them are affiliated with private contract companies that are entrusted with the operation of after-school programs, so the work status of after-school teachers at schools or their authority as teachers vary depending on the contract companies or individual schools.
 - Therefore, the government should provide a legal basis to ensure the role and status of after-school teachers, and schools should specify the roles, responsibilities, and the scopes of after-school programs. Meanwhile, society should start discussing the reinforcement of the publicness of after-school programs as part of the special ability and aptitude education operated at schools.

5) Soo Ok Park (2020:134), "The Status of After-school Programs and the Reality of After-school Teachers", Excerpt from the proceeding of the 'Relay Discussion on the Women and Family Sector by Field in Relation to COVID-19,'