

IMPROVING EMERGENCY RESPONSES AND BUILDING MORE INCLUSIVE LABOUR MARKETS AND BUSINESS MEASURES FOR WOMEN AND VULNERABLE GROUPS



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Summary

It has been over a year and a half since the COVID-19 outbreak triggered significant social and economic disruptions and placed extreme pressure on households and businesses.

Even before the COVID-19 pandemic, persistent under-investment in gender equality and women's empowerment had hindered women's gender-equal development. As the pandemic continues, its economic fallout will further shift gender dynamics and hamper efforts to expand inclusivity, eradicate poverty and increase women's economic autonomy. This will ultimately render women, children and disadvantaged groups (particularly those who face multiple

and intersecting forms of discrimination) even more exposed to deep-rooted socio-economic inequalities and pre-existing vulnerabilities. The pandemic will leave many women with long-term socio-economic scarring in its wake.

The pandemic also triggered a major labour market crisis that has had disproportionately negative effects on women. The pandemic's impacts on women in the labour market have rolled back progress, particularly for women and vulnerable groups at the greatest risk of joblessness, poverty and increased inequality. Thus far, the response in Europe and Central Asia countries has been inadequate.

A UN Women analysis of the impacts of the COVID-19 pandemic on gender equality in the Europe and Central Asia region¹ found that “the more acute economic impacts of the pandemic on women reflect long-standing gender disparities in access to economic resources and opportunities across the [Europe and Central Asia] region.”² The analysis recommended that countries prioritize women’s access to decent work and economic empowerment as the pandemic continues and into the recovery period.

Government fiscal support for businesses has been through employment retention schemes (including reduced hours or shorter working week schemes and offering wage subsidies). These have provided income support and employment services for workers with the intention of trying to ensure continuity and limit job losses. Business support has also included tax breaks/reliefs and deferrals; loans and loan guarantees and investment in firms to help keep them afloat.

Along with emergency support for women entrepreneurs and women owners of businesses, longer-term measures are needed to remove barriers to their work.

Support should also be given to young women (especially those who are neither educated nor economically active) to empower them to find decent, skilled work, set-up enterprises and prevent them from falling further behind.³ Although governments in Europe and Central Asia have introduced or expanded a range of labour and business market measures since the start of the pandemic, these efforts have been insufficient to address the distinct gendered impacts on women’s economic security.

This brief provides specific recommendations on how countries in the Europe and Central Asia region can improve their emergency response in order to help address these shortcomings, to increase gender responsiveness in policymaking and to build more inclusive labour markets and business measures. Doing so facilitates sustainable, long-term change that is crucial for women and girls to ‘weather the crisis, bounce back and rebuild’.⁴

This brief complements a separate policy brief on improving emergency responses and building more inclusive social protection systems.

The Impacts and Gender Dimensions of COVID-19 on the Labour Market

The **‘feminized sectors’ of the labour market** are typically characterized by low pay, precarious employment, poor working conditions and limited employment rights. Areas such as tourism, retail and food, domestic workers and accommodation have been hardest hit during the pandemic because the nature of the employment makes it less likely that they are able to work from home.

Many women and vulnerable groups have been unable to support themselves or their families due to unprecedented job losses, reductions in working hours

and the need to give up paid work in order to care for children that are out of school or to care for sick family members. These issues have been exacerbated by generally low savings, large debt and limited or no access to social protection safety nets.⁵

The World Bank estimates that in the Europe and Central Asia region, an additional six million people may slip into poverty due to the COVID-19 pandemic.⁶ This has a particular impact in Central Asian countries, such as Tajikistan, that rely on remittances for income.⁷

1 Countries in the region include: Armenia, Azerbaijan, Georgia, Moldova, Ukraine, Belarus, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan, Uzbekistan, Albania, Bosnia and Herzegovina, Croatia, Turkey, North Macedonia, Serbia, and Kosovo (All references to Kosovo shall be understood to be in full compliance with UN Security Council Resolution 1244 (1999))

2 UN Women (2021) [Assessing the Lights and Shadows of COVID-19: A Gender Analysis of Pandemic-related Impacts on Women and Girls in Europe and Central Asia](#)

3 Ibid.

4 UN Women (2020) [From Insight to Action: Gender Equality in the Wake of COVID-19](#)

5 Principles for Responsible Investment (2020) [Theme 1: Protecting Workers’ Rights Through The COVID-19 Crisis](#)

6 World Bank (2020) [Fighting Poverty in Europe and Central Asia](#)

7 UNDP (2020) [COVID-19 and Central Asia: Socioeconomic Impacts and Key Policy Considerations for Recovery](#)

Activists and women's organizations in the region have long advocated for strong, gender-focused planning and policy initiatives and data that is disaggregated by multiple dimensions of inequality. Such efforts will be pivotal to ensuring that women's labour market and economic interests are given a high priority in both short- and long-term pandemic responses.

Immediate government measures should include support to address lost income and to reconcile pandemic-related increases in unpaid care work with reductions in paid employment. Long-term recovery and resilience planning and policies should include job creation, equitable wage setting and the revaluation of care work.

Pandemic responses, particularly mandated closures of schools, health services and social spaces, have led to unprecedented (and disproportionate) growth in women's **unpaid care and household work burdens**.⁸ Much of this increase stems from increased care obligations for school-aged children, people suffering from the virus and the heightened care needs of older persons, the disabled and other vulnerable family members. Although feminist activists and scholars have long recognized the interrelationships among gender, unpaid work and paid employment, the COVID-19 pandemic has revealed to the world the significance of care work to social and economic life.

Across the globe, more women than men reported increases in the time they spend on household chores and unpaid care work. Many women reported that these increases were in addition to – and often had to be balanced with – their time spent in paid employment. The situation in the Europe and Central Asia region reflects this global trend; 70 per cent of women reported that since the start of the crisis, they have spent additional time on at least one unpaid domestic chore compared to only 59 per cent of men.⁹ The highest burdens were reported by women in Albania (72 per cent compared to 61 per cent for men) and Georgia

(62 per cent compared to 43 per cent), which had early school closures, and in Kyrgyzstan (67 per cent versus 26 per cent).¹⁰

The COVID-19 crisis has revealed and reinforced the importance of reducing, redistributing and revaluing unpaid work in order to increase women's labour market participation and expand their social and economic empowerment.

Women have been losing **paid employment** at a greater rate than men since the start of the pandemic and the ensuing economic crisis.¹¹ Data for Europe and Central Asia indicate that women are reporting a greater number of job losses than men are.¹² Women's working hours were also more likely to have decreased, with over 40 per cent of women in the region reporting having done less paid work during the early months of the pandemic. The highest gender gap in relation to decreased working hours was in Azerbaijan.

In some countries, millions of migrant workers who lost their informal-sector jobs left cities and returned to rural areas. This shift adversely affected both workers and their families who were reliant on the remittances. The pandemic drastically affected geographic areas where women comprise most informal-sector workers as farm workers, market traders or street vendors. For those who relied on public spaces and social interactions to earn money, COVID-19 severely limited their livelihood opportunities. Government income replacement measures have been essential for such workers' survival.

Self-employed women and women's micro-, small- and medium-sized enterprises (MSMEs) have suffered dramatically. These enterprises have closed more frequently due to women's reduced access to capital, lack of business networks and the burden of women taking on additional unpaid work at home. Figures indicate that 25 per cent of self-employed women in the region have lost their incomes during the pandemic, compared to 21 per cent of self-employed

8 UN (2020) [Policy Brief: The Impact of COVID-19 on Women](#)

9 UN Women (2020) [Women at the Forefront of COVID-19 Response in Europe and Central Asia](#)

10 Ibid.

11 ILO (2020) [A Gender-responsive Employment Recovery: Building Back Fairer](#)

12 26 per cent of women versus 22 per cent of men in Kazakhstan; 19 per cent of women versus 14 per cent of men in Turkey; and 13 per cent of women versus 8 per cent of men in Bosnia and Herzegovina. See UN Women (2020) [Women at the Forefront of COVID-19 Response in Europe and Central Asia](#).

men.¹³ Losses have particularly affected self-employed women in Kazakhstan (81 per cent), Azerbaijan (80 per cent), Turkey (82 per cent), Kosovo (78 per cent) and Kyrgyzstan (77 per cent).

Women-owned businesses are often reliant on self-financing; women experience gender discrimination in access to funding. For example, the Government of Albania took broad measures to provide economic support to different groups. However, these schemes excluded many female heads-of-households and rural women, as almost 90 per cent of rural family businesses are registered in men's names.¹⁴ Therefore, more targeted and innovative support is required for women's enterprises and the self-employed.

Social distancing requirements and the closure of education and childcare institutions have led to an unprecedented shift to **flexibility in working**

arrangements, especially to working from home. Such measures were discussed over changing arrangements during the pandemic and in moving forward as ways to increase the family-friendliness of working arrangements and to support women's empowerment. However, the implementation of these arrangements has been slow and inconsistent. The option to work from home has become a reality for almost half of women and a quarter of men in the region.¹⁵ However, few people in low-paid and informal jobs have been able to take advantage of this new arrangement; it has been mostly used by men and women working in white-collar and high-skilled occupations and living in urban settings. Factors such as poor digital infrastructure, limited digital skills and a simple lack of space have created practical obstacles to working from home for many women, particularly those from vulnerable groups.

How Governments in the Region Have Responded to COVID-19's Disproportionate Economic Fallout on Women and Vulnerable Groups

The UN Women research study, **'ONE YEAR OF COVID-19: A Gender Analysis of Emergency COVID-19 Socio-Economic Policy Responses Adopted in Europe and Central Asia'**, uses a gender lens¹⁶ and the Leave No One Behind (LNOB) principle¹⁷ to analyse government measures introduced or adapted in response to the COVID-19 pandemic. The analysis frames the measures under three broad categories: social protection, labour market, and economic, fiscal and business stimulus.

Governments that incorporate a gender lens and the LNOB principle into their response measures can mitigate the adverse and disproportionate impacts that the COVID-19 pandemic has had on women and vulnerable groups. Doing so will also simultaneously

bolster the fundamentals of 'building back better' after the pandemic.

Of the 477 measures recorded across these categories from multiple sources,¹⁸ 82 (17 per cent) were introduced or adapted to the labour market. Of these labour market measures, only 6 (7 per cent) can be classified as being gender-sensitive in that they make specific reference to women, while 16 per cent (or 13 measures) can be classified as being inclusive of the LNOB principle in that they make specific reference to vulnerable and marginalized households and groups.

Presented by region and subregion, these labour market measures can be summarized as:

¹³ Ibid.

¹⁴ UN Women (2020) [Across Europe and Central Asia, Women Confront Economic Impacts of the Pandemic](#)

¹⁵ UN Women (2020) [Women at the Forefront of COVID-19 Response in Europe and Central Asia](#)

¹⁶ A gender lens methodology considers measures to be gender-sensitive if they include explicit reference to "women" and "seek to directly address the risks and challenges that women and girls face during the COVID-19 crisis." (See [COVID-19 Global Gender Response Tracker Methodological note](#).)

¹⁷ The Leave No One Behind (LNOB) principle's methodology considers measures that directly address and make explicit reference to vulnerable and marginalized households and groups

¹⁸ [Council of Europe: Promoting and protecting women's rights at national level](#); [International Monetary Fund Policy Tracker on Policy Responses to COVID-19](#); [ILO Country Policy Responses](#); [Organisation for Economic Co-operation and Development POLICY TRACKER: Tackling COVID-19 - Contributing to a global effort](#); [World Bank Social Protection and Jobs Responses to COVID-19: A Real-Time Review of Country Measures](#); [UNDP-UN Women COVID-19 Global Gender Response Tracker](#)

Labour market gender-sensitive and LNOB measures introduced by governments to address the socio-economic impacts of COVID-19

By Region and Subregion	TOTAL Measures (social protection, labour market, and economic, fiscal and business)	Labour market measures	Gender-sensitive labour market measures	LNOB labour market measures
Europe and Central Asia	477	82 (17%)	6 (7%)	13 (16%)
Central Asia	83	12 (15%)	1 (8%)	4 (33%)
Eastern Partnership	209	34 (16%)	3 (9%)	4 (12%)
Western Balkans and Turkey	185	36 (20%)	2 (6%)	5 (14%)

Source: UN Women (2021) ONE YEAR OF COVID-19: A Gender Analysis of Emergency COVID-19 Socio-Economic Policy Responses Adopted in Europe and Central Asia

In analysing measures under the ‘salary/wage support to the employed and self-employed’ subcategory of the ‘labour, business and economic stimulus measures’ category, the study found that only 5 out of 82 (6 per cent) of labour market responses cited wages support to employed “women” and self-employed “women.” Only one measure under the ‘labour regulatory adjustments and reinforcements’ subcategory explicitly referenced women.

Armenia’s responses introduced financial assistance for pregnant women working in the hospitality, tourism and retail sector and offered lump-sum payments (set at the minimum wage) to sectors where a large number of women are in formal employment. **Georgia** introduced one-time assistance to the self-employed and to people employed in the informal sector. This decision to support informal-sector employees was reported as indirectly targeted to provide social

assistance to women. **Montenegro** provided salary subsidies for women (and men) employees caring for a minor under the age of 11. **Serbia** offered a 10 per cent increase in salary to care workers in nursing homes and reported this as a sector that represents a larger number of women workers. **Uzbekistan’s** labour adjustments introduced new work arrangements, allowing employees to benefit from remote and flexible work arrangements (the measure particularly referred to pregnant women as beneficiaries).

The starkly low number of measures deemed gender-sensitive or in line with the LNOB principle underscores that the response remains grossly insufficient and that not nearly enough has been done to mitigate the pandemic’s impacts on women and vulnerable groups. This brief puts forward the case for additional labour market interventions that are designed with both a gendered lens and the LNOB principle.

Recommendations to Improve the Emergency Response and Build More Inclusive Labour Markets

Immediate responses

1. Maintain the momentum of emergency and immediate labour market interventions and implement new and practical schemes that reach beyond formal employment

Immediate labour market policy interventions have focused on supporting businesses and workplace safety and on preventing social hardship.

Many of the interventions have taken the form of job retention schemes, offering support in salary and wages to employed and self-employed persons and to business owners. These schemes have prevented surges in unemployment and mitigated financial hardships for those working reduced hours; it is important that they are not downscaled prematurely or too quickly during emergencies and crises.

Further, governments need to reach beyond formal employment to ensure they are helping women and vulnerable groups in all spheres of work. This includes those in informal and precarious employment, many of whom are migrant women who do not benefit from labour regulations or protections and are not covered by job retention schemes

2. Provide more specific and targeted support for women's MSMEs

Measures to support women's MSMEs should include easing tax burdens and providing targeted grants, stimulus funding and subsidized and state-backed loans. Universal monetary disbursements related to paid care leave and additional family-related benefits can help ensure family income security for self-employed women and women-led enterprises. Moreover, labour market policies should be revised to ensure protection for formal and informal employment, including women's entrepreneurship and unpaid work.

As part of targeted support, governments, businesses, trade unions and individuals must collaborate in the engagement and economic development of women entrepreneurs and business owners, including those from vulnerable populations.

3. Offer flexible working arrangements, including parental leave for both women and men

Flexible working arrangements, including parental leave, must be made available for both women and men. All workers must be able to access such working arrangements without losing pay or hindering their career or job progression. The relaxation of existing labour restrictions around home office working conditions and occupational health and safety requirements need more formal and expansive regulatory frameworks.

4. Target and expand digital support and resources for women and vulnerable groups at risk of exclusion

Information and communications technology solutions should be used to promote gender equality and women's empowerment and to expand women's access to new business opportunities. The

expanded use of online tools can enable women to manage their own businesses. In addition, support, training and resources for information and communications technologies must be offered to help empower women to manage their own finances and increase their access to (and the availability of) banking services through mobile banking.

5. Integrate gender analysis, gender and intersectional data and rapid assessment data into pandemic responses and policies

Gaps in data availability have left many questions unanswered regarding the pandemic's impact on various groups of people unanswered. Filling these gaps is particularly important given that women and vulnerable groups have been uniquely affected during the crisis, particularly women-led MSMEs or MSMEs and sectors dominated by women.

Medium- to longer-term responses

1. Focus on improving women's access to decent employment

Improving women's access to decent employment must be accompanied by gender-responsive budgeting and fiscal measures to support implementation. This involves a commitment to building capacities and investing in gender-responsive policymaking, including inter-ministerial coordination mechanisms to strengthen labour-related measures in emergencies and planning for future crises. Labour and employment laws and policies should be revised to protect all types of employment, including entrepreneurship and unpaid work. A gender perspective should be applied across all policy, decision-making and longer-term planning to counter deeply ingrained gender-based discrimination. Essential to these changes are improved national data disaggregated by gender and other dimensions of inequality.

2. Commit to strengthening the 'real economy', including urgent investment in the care economy¹⁹

Public investments are important in the 'triple dividend' they promise: job creation, enabling women to (re)enter the labour market, and strengthening

¹⁹ See [UNECE - UN Women series: Rethinking Care Economy and Empowering Women for Building Back Better](#)

the capabilities of children and care-dependent adults. By valuing and supporting care work, public investments have the potential to create decent and greener jobs (especially when accompanied by improved pay and working conditions), which will reduce unemployment and redress deeply embedded gender inequalities.²⁰

For example, a UN Women study examined the employment-generating and fiscal effects of investing in universal childcare in the Republic of North Macedonia.²¹ The study calculated the total annual costs of investing in childcare services that would increase the enrolment (coverage) rate of the children in formal childcare services to different target levels. Example benefits of investing in the care economy: “The employment rate of women would increase by between 2.6 and 6.2 percentage points. In the high-quality universal scenario, the gender employment gap would be reduced by more than a fifth from 20.2 per cent to 15.8 per cent (among 15-64 age group) ... With increased employment and earnings come increased fiscal revenue from income tax, social security contributions and expenditure (consumption) taxes, which would almost halve the net annual funding requirement of the investment.” Under the “scenario of universal enrolment and high-quality provision, the annual net funding requirement is 1.6 per cent of GDP for a gross investment of 3.2 per cent of GDP.”

3. Reduce, recognize, and redistribute women’s disproportionate responsibilities for unpaid work

Few approaches have been directed at supporting unpaid workers and paid workers who are juggling home care needs. Community groups, media and public campaigns can do more to promote the equitable distribution of care and domestic work between men and women and to encourage fathers to undertake their fair share of childcare. Both paid and unpaid care workers must be recognized as essential workers.

4. Remove barriers that thwart women’s job protection and their access to unemployment, social benefits and basic services

Occupational segregation and barriers, such as lack of access to land, capital, financial resources and technology, make it more difficult for women to gain equal footing with men in labour and business markets. Gender inequality is compounded by legal barriers and gender differences in labour laws, such as those that prevent women from working in specific jobs, or lack of laws, such as those that protect against sexual harassment.

Extending support to informal workers (including migrants), in which women comprise the majority of workers, is essential to improving their well-being. Expanded access to affordable and quality public childcare services will allow more women and vulnerable groups to participate in the labour force.

Bridging the gender pay gap is also urgent; laws and policies should guarantee equal pay for work of equal value.

5. Develop policies to protect employment and to offer job training, education and apprenticeships to women, informal workers and small business entrepreneurs that have been most impacted by COVID-19

Targeted fiscal support could help speed up the recovery in the feminized sectors of tourism, hospitality, and food. This could take the form of medium-term tax cuts or extended credit from banks.²² Micro-finance institutions also have an important and creative role to play and could offer bridging funds and appropriate financial instruments to support self-employed women and small business owners. Governments, businesses, trade unions and individuals need to be involved in supporting the economic development, education, training and engagement of women entrepreneurs and business owners.

20 UN Women (2020) [COVID-19 and the Care Economy: Immediate Action and Structural Transformation for a Gender-responsive Recovery](#)

21 UN Women (2020) [Investing in Free Universal Childcare in the Republic of North Macedonia: Analysis of Costs, Short-term Employment Effects and Fiscal Revenue](#)

22 UN Women (2020) [Addressing the Economic Fallout of COVID-19: Pathways and Policy Options For A Gender-Responsive Recovery](#)

6. Develop information and communications technology solutions to promote gender equality and women's empowerment

Ensuring equal access to new business and training programmes (including opportunities for women to become entrepreneurs and investors in the new digital economy and in the science, technology, engineering, and mathematics fields) will promote gender equality and women's empowerment. Increased connectivity and access to technologies can help improve women and girls' access to health, education, financial and other public services, as well as their participation in decision-making, which can transform their lives.

The COVID-19 pandemic has demonstrated how essential digital tools are for many people, businesses and workers. Those excluded from the digital world are at risk of being left behind through limited digital access and digital illiteracy.