The different economic effects of the Covid-19 crisis on women and men in the Czech Republic

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Andreas Menzel, Martina Miotto

Summary

- Women are very likely economically and socially affected harder by the Covid-19 crisis for at least three reasons:
  1. They are disproportionally employed in sectors affected harder by Covid-19 related lock-downs (tourism, hospitality, retail, services).
  2. They are likely to shoulder more of the additional child-care needs due to the closing of schools and child-care facilities.
  3. They are more likely to be victims of domestic violence, with many indicators pointing towards an increase in domestic violence due to the lock-down.

- Unemployment data from Czech Republic for April and May 2020 shows a stronger increase in unemployment for women than men, whereas in previous recessions, this was typically the other way around.

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1 This document follows closely the structure of, and many arguments from, the report “The Impact of COVID-19 on Gender Equality” from the National Bureau of Economic Research for the U.S. (NBER Working Paper 26947), and the report “Work, Care, and Gender during the Covid-19 crisis” by the Centre for Economic Performance at LSE for the UK (CEP Covid-19 Analysis 002). However, numbers and case-studies are adjusted for the Czech Republic.

2 This study represents the authors’ own views and not the official position of the Czech Academy of Sciences’ Economics Institute nor of the Charles University Centre for Economic Research and Graduate Education (CERGE). The authors are grateful to Daniel Münich and Filip Pertold for their valuable comments and advice. The study was produced with support from the Czech Academy of Sciences as part of its AV21 Strategy programme and from the Experientia Foundation.
• The stronger increase in unemployment for women is driven by women above age 44. This large increase in unemployment for older women exacerbates the already higher risk of falling into poverty in retirement age for women.

• Before Covid-19, women with children in Czech Republic spent almost twice as much time on child-care than fathers. Even full-time employed women spend 50% more time than full-time employed fathers. It is likely that the increased time for child-care needed by parents due to the closure of schools and child-care facilities will be unevenly distributed in similar ways.

• 26% of men vs 21% of women report in a survey of 3,000 Czech persons that they are able to continue to do their main job from home via tele-work, reducing the risk of job loss more for men than for women.

• Women report to be worried more about the health and economic impacts of Covid-19, and take more pre-cautionary measures against it, such as avoiding public transport, etc.

• Support groups of domestic violence victims report increases in seeks for help of around 40%.

• A second wave of new unemployment claims by women may have to be expected once schools and child-care facilities open again, as their mothers may then not be supported by temporary income support measures (Ošetřovné) anymore.

• In the long run, the strong increase in use of home-office and tele-commuting due to the lock-down may lead to their faster adaption by many employers, which should help gender equality in the workplace, as flexible home-office arrangements likely are more helpful to women (especially with children or other care-responsibilities).