
THE IMPACT OF COVID-19 ON SELF-EMPLOYED WOMEN IN THE UK

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I. BACKGROUND



SELF-EMPLOYMENT

Self-employed workers are those workers who, working on their own account or with one or a few partners or in cooperative, hold the type of jobs where the remuneration is directly dependent upon the profits derived from the goods and services produced (ILO, 2021).

- Self-employment tends to be overlooked in gender analyses of the labour market.
- During and after the financial crisis of 2008/09 self-employment became a key source of jobs in the UK.
- Although self-employment is a positive choice for some, for others is the result of lack of alternatives.
- Caring responsibilities are an important factor influencing (part-time) self-employment.
- Self-employed people tend to earn less and have less social benefits.
- During the COVID-19 pandemic self-employed people (and particularly women) were disproportionately impacted.

DATA AND LIMITATIONS



Key sources of information: Office for National Statistics (Labour Force Survey, Annual Population Survey, Family Resources Survey, Opinions and Lifestyle Survey) and HM Revenue and Customs.



Work in progress: Exploratory and descriptive analysis.



Ongoing phenomenon: Data still emerging.



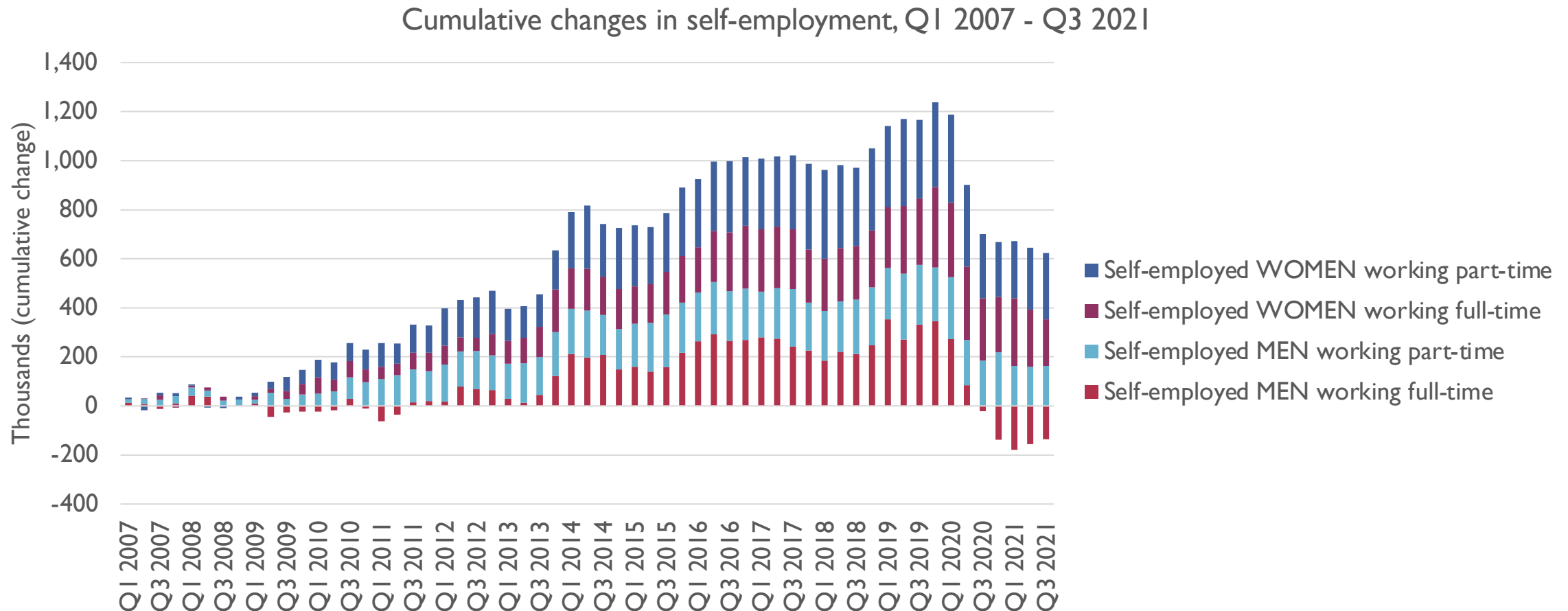
Limited and dispersed data on self-employment

SELF EMPLOYMENT: A CRISIS AND POST-CRISIS STRATEGY

- Self-employment become a crisis survival strategy for many in the aftermath of the 2008/09 financial crisis.
- In 2011 self-employment accounted for over 90% of new jobs.
- Although its importance has somehow declined, in 2019 self-employment accounted for over 30% of new jobs created in the UK.



- About two thirds of these new self-employment jobs are part-time.
- Women represent about 60% of those self-employed working part-time.
- During the COVID-19 pandemic self employment has grown at faster rates among women than among men.



Source: Office for National Statistics (2021). Labour Force Survey.



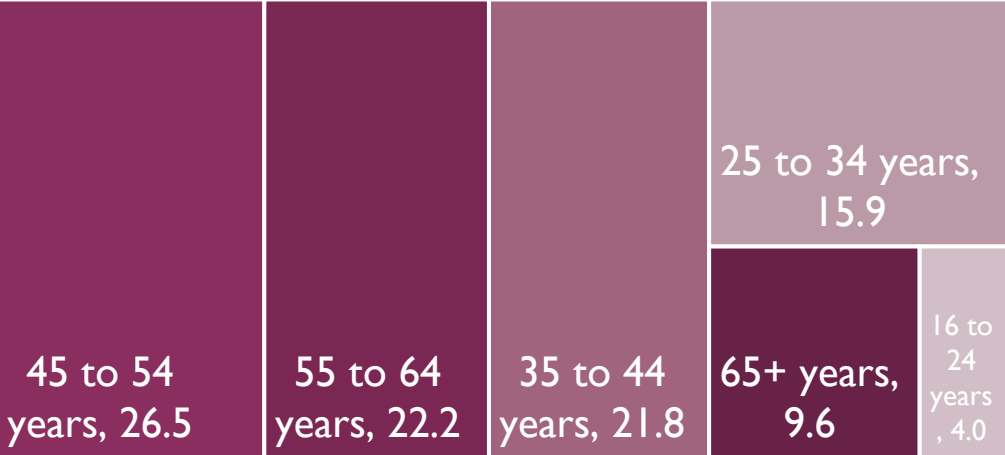
2. WHO ARE THE SELF-EMPLOYED IN THE UK?

The 'typical' British self-employed is a highly educated white man between 45 and 54 years old working on its own.

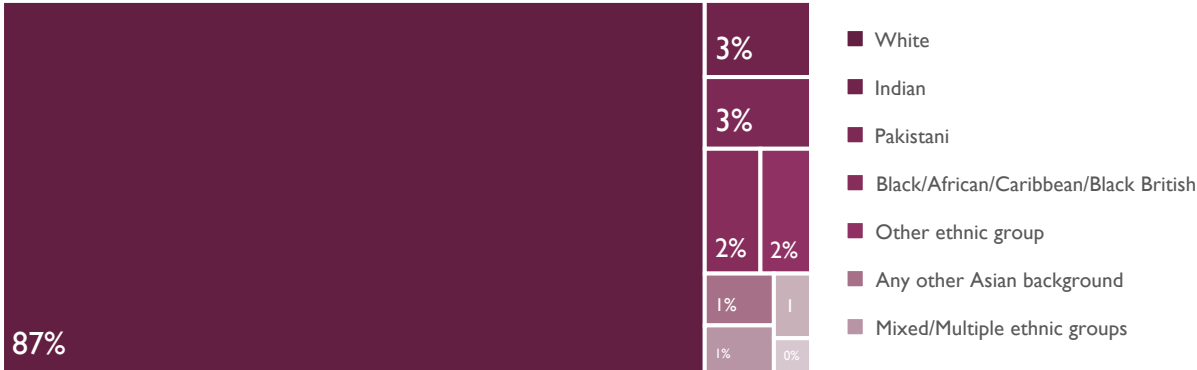
Sex



Age



Ethnicity

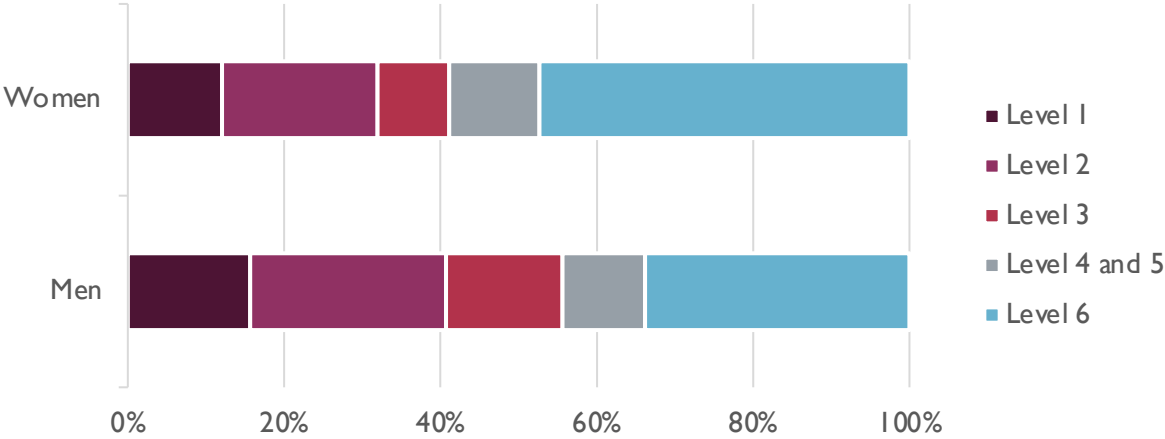


% of self-employed by ethnicity

Pakistani	24.9%
Other ethnic group	20.1%
Bangladeshi	19.1%
White	15.2%
Any other Asian background	15.1%
Indian	14.7%
Mixed/Multiple ethnic groups	14.0%
Chinese	13.4%
Black/African/Caribbean/Black British	11.2%

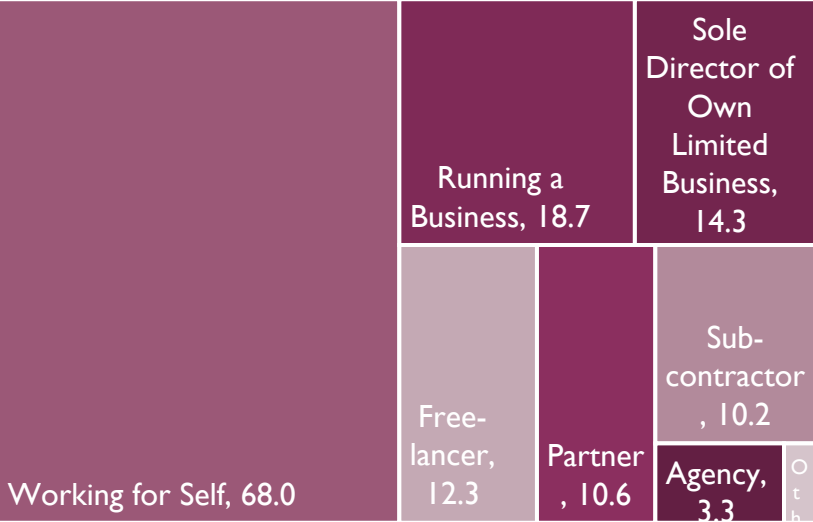
The 'typical' British self-employed is a highly educated white man between 45 and 54 years old working on its own.

Self-employed people by level of education attainment, 2019/20



Source: Department for Work and Pensions (2021). Family Resources Survey, 2019/20.

Self-employment type, 2019



Source: Office for National Statistics (2021). Annual Population Survey, Jan-Dec 2019.

Where do self-employed people work in the UK?

- Men work mainly in construction; professional, scientific and technical activities; and transportation and storage
- Women work mainly in health and social work; professional, scientific and technical activities; and other services.



Top 5 industries where self-employed people work



Construction	27.4%
Professional, scientific and technical activities	11.9%
Transportation and storage	9.0%
Wholesale, retail, repair of vehicles	8.1%
Administrative and support services	6.4%

Health and social work	15.4%
Professional, scientific and technical activities	13.7%
Other service activities	13.2%
Administrative and support services	10.3%
Education	9.8%

Top industries by ethnicity

White	Banking and finance, 24.2%; Construction, 20.6%
Mixed/Multiple ethnic groups	Banking and finance, 34.1%; Public admin, education and health, 21.5%
Indian	Banking and finance, 23.2%; Distribution, hotels and restaurants, 23.1%
Pakistani	Transport and communication, 45.2%, Distribution, hotels and restaurants, 20%
Bangladeshi	Transport and communication, 43.5%, Distribution, hotels and restaurants, 23.1%
Chinese	Banking and finance, 39.3%; Distribution, hotels and restaurants, 29.6%
Any other Asian background	Distribution, hotels and restaurants, 25.3%, Transport and communication, 21.9%
Black/African/Caribbean/Black British	Transport and communication, 23.1%, Banking and finance, 22.8%
Other ethnic group	Transport and communication, 22.8%, Banking and finance, 20.7%

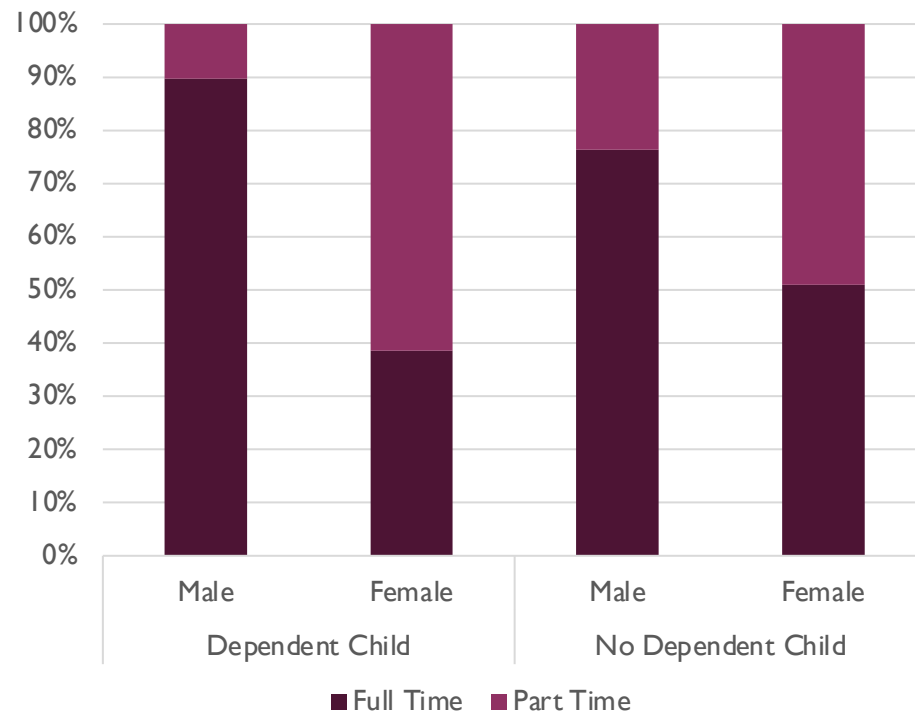


3. PART-TIME SELF-EMPLOYMENT, GENDER AND CARE



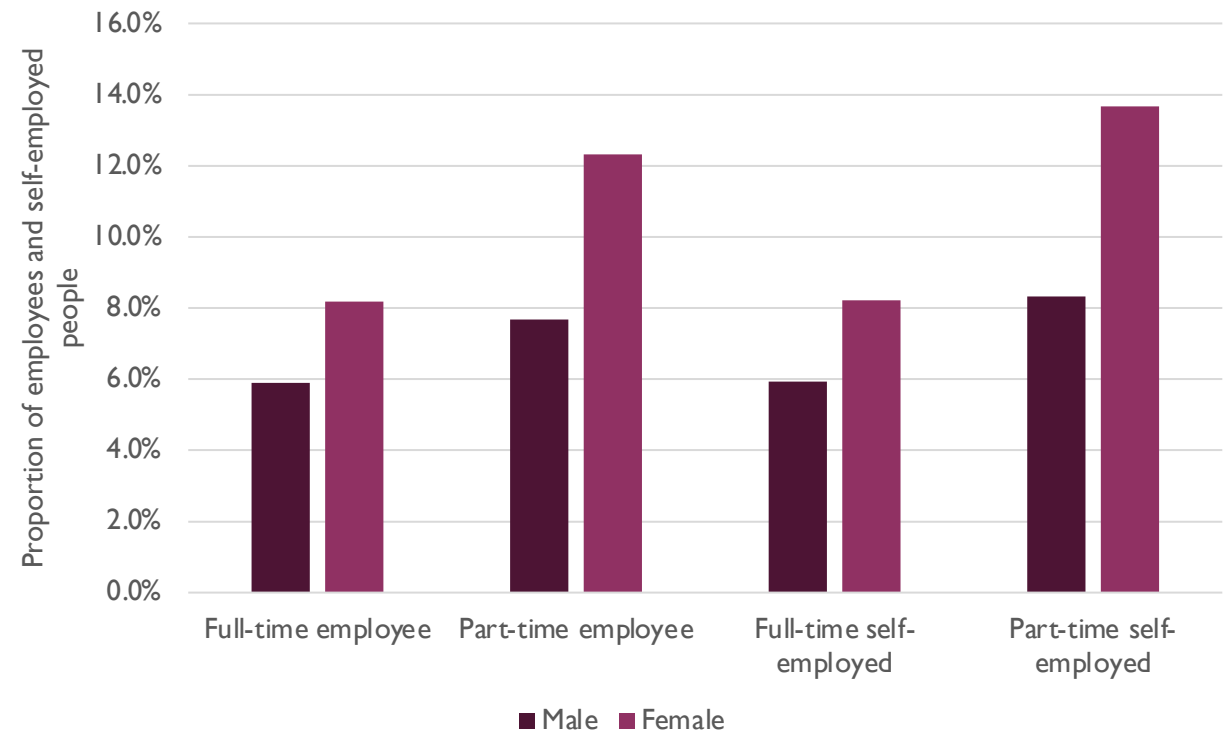
Women with care responsibilities are more likely (than men) to work part time.

Self employment by dependent child, sex and working patter



Source: Office for National Statistics (2021). Annual Population Survey, Jan-Dec 2019.

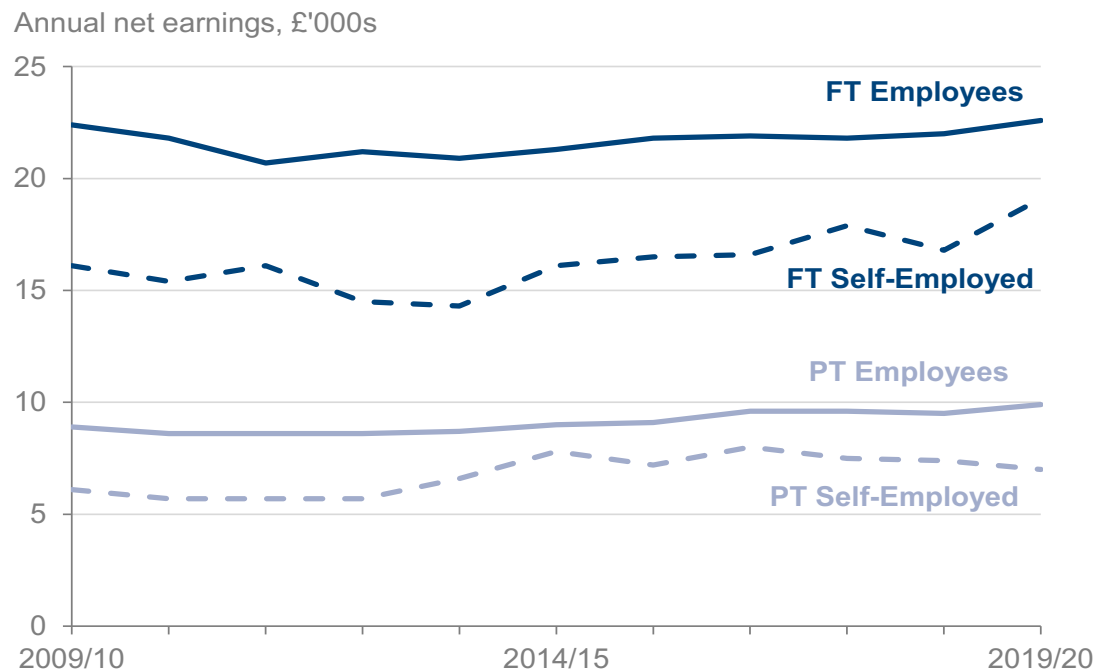
Informal carers



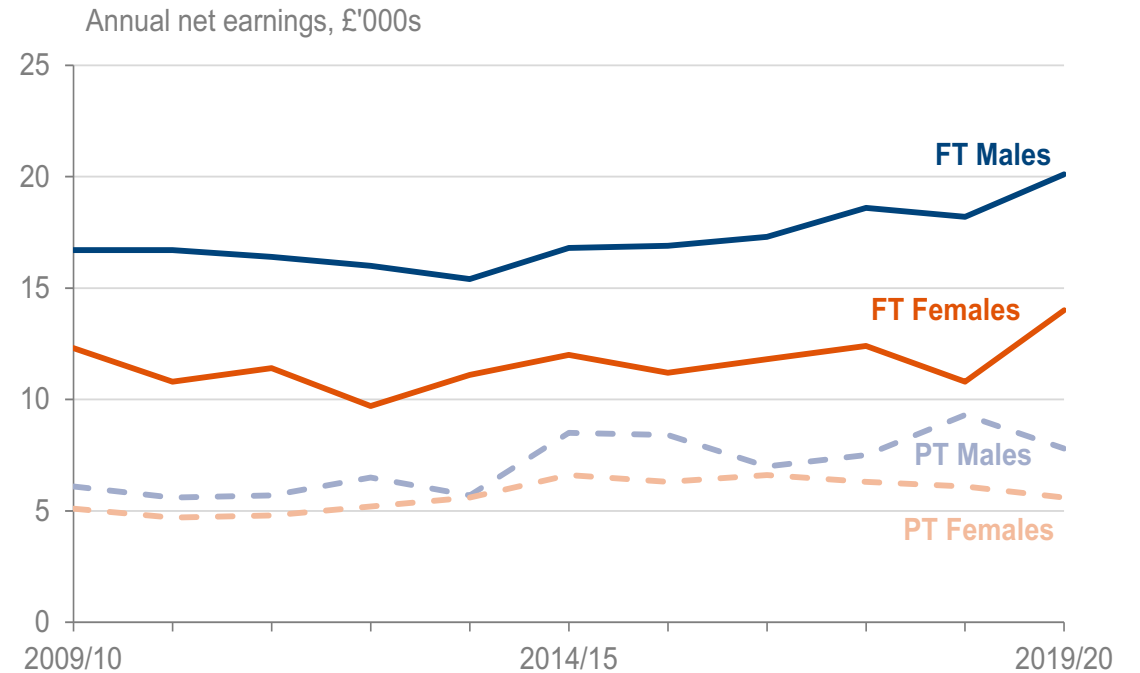
Source: Department for Work and Pensions (2021). Family Resources Survey, 2019/20.

Working part-time has negative consequences on the earnings women make (in addition to gender gaps).

Median net earnings of employees and the self-employed, (2019/20 prices), 2009/10 to 2019/20



Median net earnings of the self-employed by gender (2019/20 prices), 2009/10 to 2019/20



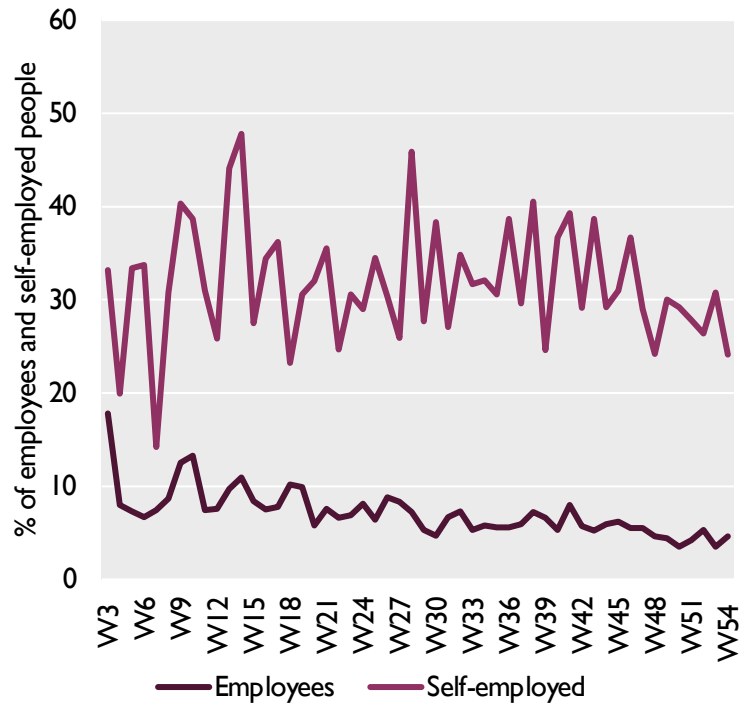


4.THE IMPACT OF COVID-19

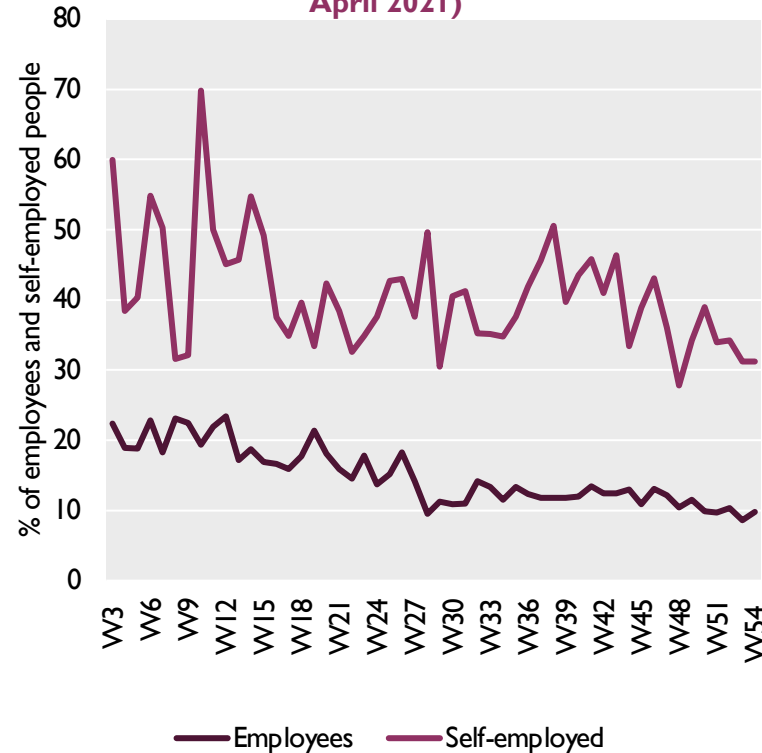


- During the COVID-19 self-employed people were disproportionately affected.
- Larger percentages of self-employed people (than employees) experienced impacts on the number of hours worked, their income and the need to go into debt.

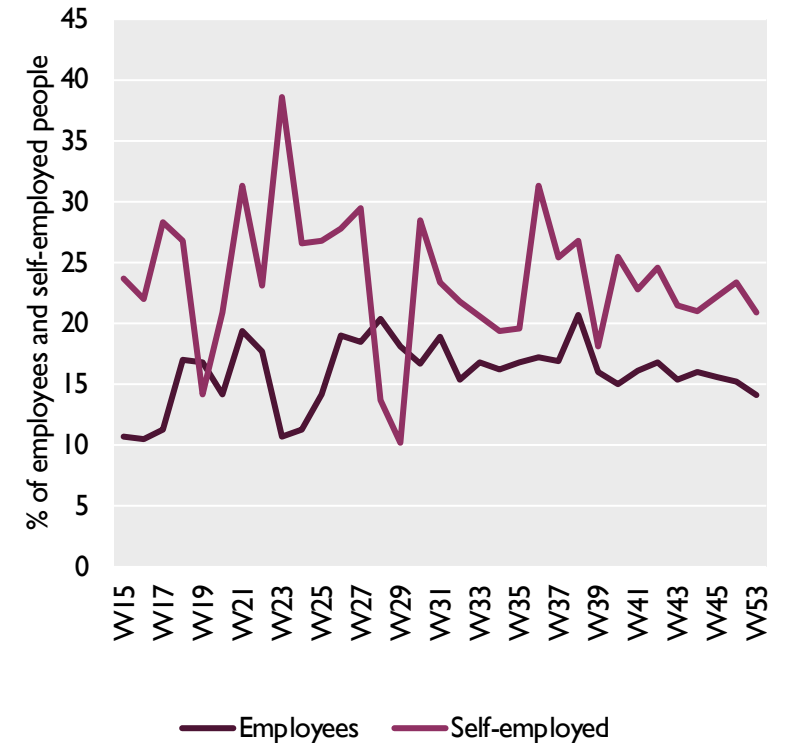
Employed population reporting reduced hours (Great Britain, 3 April 2020 to 18 April 2021)



Population reporting 'reduced household income' (Great Britain, 3 April 2020 to 18 April 2021)



Have you had to borrow more money or use more credit than usual since the coronavirus (COVID-19) outbreak? (Great Britain, 25 June 2020 to 18 April 2021)



IMPACTS VARY BETWEEN MEN AND WOMEN

Changes in men's employment and self-employment,
Q1 2019 - Q3 2021



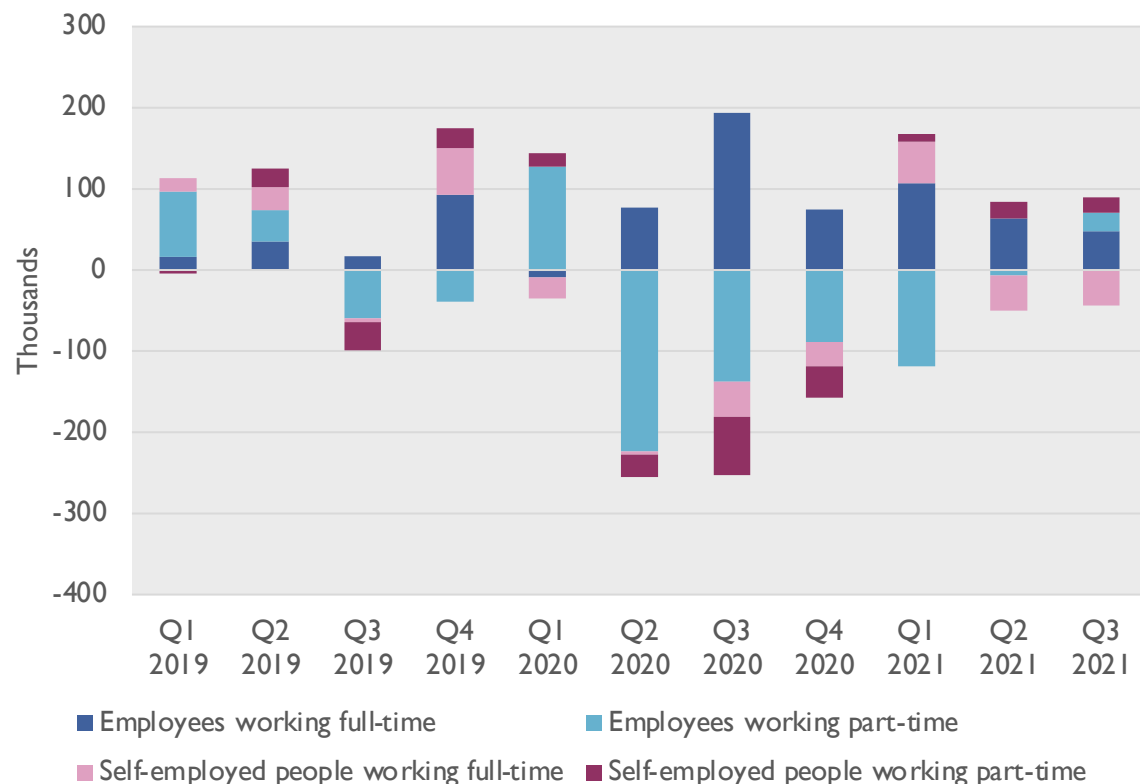
- Men faced a reduction on self-employment, particularly part-time.

From Q1 2020 to Q1 2021:

- 25% of those self-employed moved to employee status.
- 10% of those not working moved to employee status.
- 2.6% of employees moved to self-employment.
- 3.7% not working moved to self-employment.

IMPACTS VARY BETWEEN MEN AND WOMEN

Changes in women's employment and self-employment,
Q1 2019 - Q3 2021



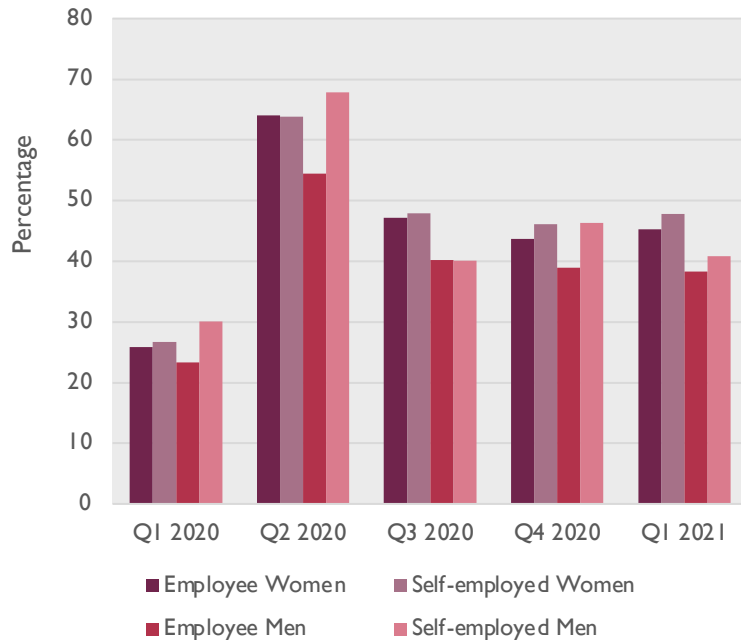
- Women experienced the largest fall on (part-time) employees jobs and negative impacts are lasting longer.

From Q1 2020 to Q1 2021:

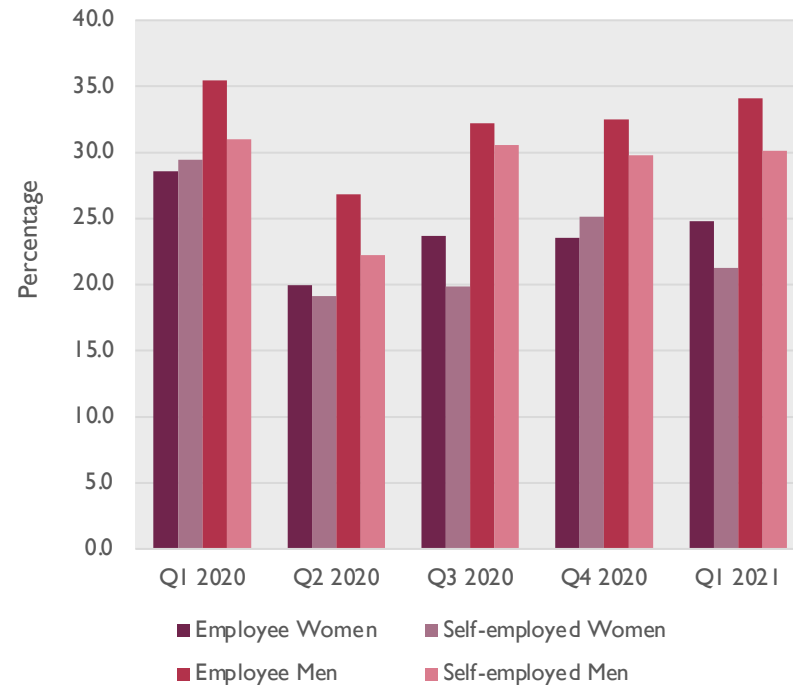
- 21.5% of those self-employed moved to employee status (Almost 60% of these were working part-time).
- 15% of those not working moved to employee status.
- 3.3% of employees moved to self-employment (Over 90% of them were working full time).
- 2.9% not working moved to self-employment.

- Impacts faced by employee and self-employed women were similar.
- Self-employed men were more impacted than employee men.
- The gender gap in the average number of hours worked by the self-employed increased from 1.5 to 8.9.
- A larger proportion of women than men worked fewer hours and expressed they would like to work longer hours.

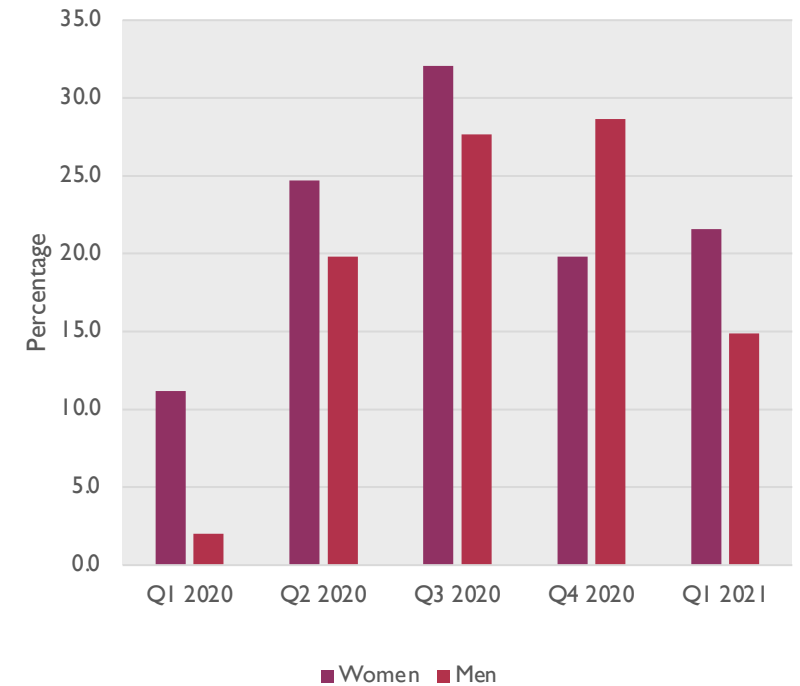
Worked fewer hours than usual during reference week



Average number of hours worked



Whether would like to work longer hours



THE SELF-EMPLOYMENT INCOME SUPPORT SCHEME (SEISS)

- The Self-Employment Income Support Scheme (SEISS) was announced on 26 March 2020 (almost a month after the Coronavirus Job Retention Scheme was launched).
- The scheme was open to self-employed individuals and members of a partnership who met the following criteria:
 - traded in the tax year 2018 to 2019 and submitted their Self Assessment tax return on or before 23 April 2020 for that year, and
 - traded in the tax year 2019 to 2020, and
 - intend to continue to trade in the tax year 2019 to 2020, and
 - carried on a trade which had been adversely affected by coronavirus
- The last date for making a claim was 30 September 2021.

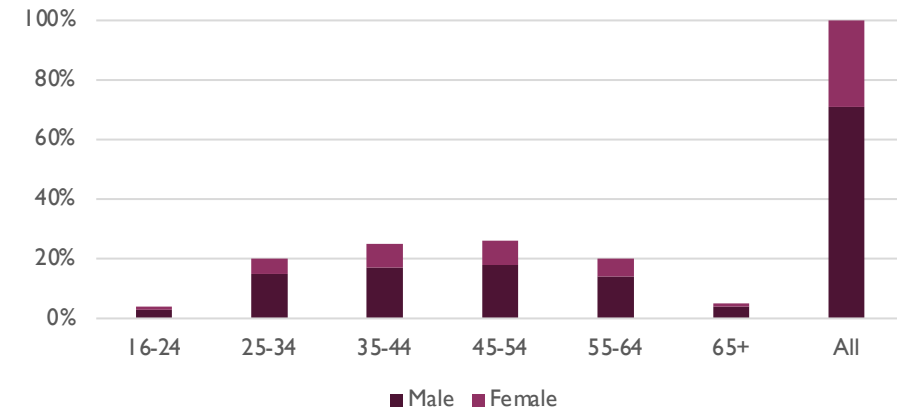
2 levels of grants:

How much your turnover is down by	What you'll get
30% or more	80% of 3 months' average trading profits
less than 30%	30% of 3 months' average trading profits

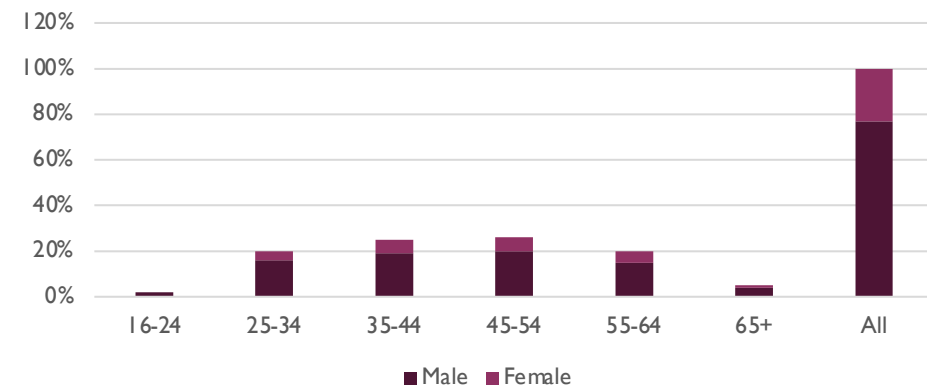
THE SELF-EMPLOYMENT INCOME SUPPORT SCHEME (SEISS)

- 2.9 million individuals received a grant.
- Male claimants represented a higher proportion (71%) than female claimants and the average value of their claims was also higher (77%).
- Male participation in the number of claims is higher than their participation in self-employment (66.5%).
- Around 89% of individuals who claimed grants were between the ages of 25 and 64.
- The construction industry had the largest population of individuals (34%) who claimed grants.

Proportion of total number of claims by sex and age



Proportion of total value of claims by sex and age



5. FINAL REFLECTIONS

-
- Need to leverage the learning from hybrid employment arrangements to open employee opportunities for women.
 - Public investments and legal reforms on care services (children, the ill, and elderly people) are urgently needed to improve the quality and affordability of these services, while improving the working conditions in care jobs.
 - This include scrutiny and control of the financialisaton in social care.
 - Continue research on the impacts of self-employed people and how to improve their wellbeing.

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