### **Bank of England**

# Gender balance in the household and workplace in the Covid recovery

Discussion of RES Keynote Address by B. Petrongolo

University of Reading – 11/4/2022

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The views expressed here are those of the author and are not necessarily reflective of views at the Bank of England



### Gender inequality in the labour market, Covid and Productivity

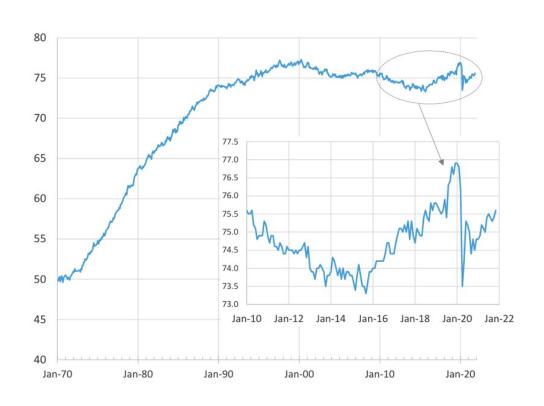
- What do we know?
  - Labour force participation and Employment (US/UK)
    - Not as bad for women as we expected at the onset of the Pandemic.
  - Productivity
    - Evidence of a large drop in women's productivity due to the greater impact of childcare duties.

- What should we expect going forward?
  - Working from Home (WFH) is here to stay and could have long-lasting effects on gender inequality and productivity.

# What do we know?

Employment and labour force participation during the pandemic

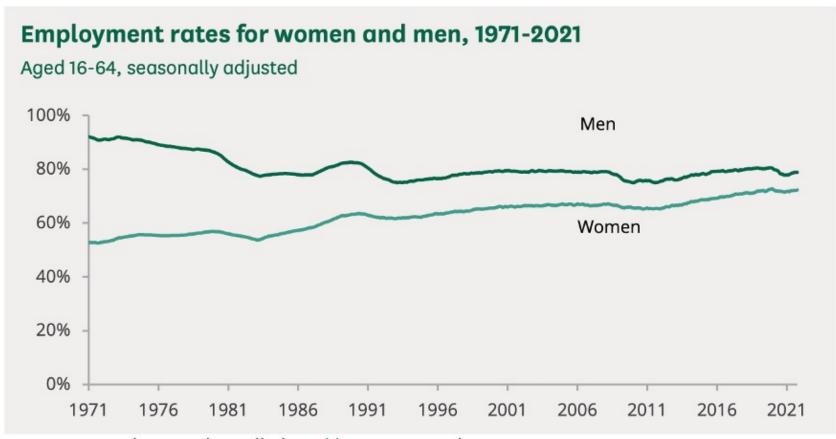
### Women Employment and the Pandemic (US)



Source: BLS.gov, series id: LNS11300062, seasonally adjusted, civilian labor force participation rate, 25 to 54 years, women.

- Godin (2022)
- Contrary to many accounts, women did not exit the labour force in large numbers, and they did not greatly decrease their hours of work.
- The real story of women during the pandemic is that they remained in the labour force and stayed on their jobs, as much as they could.

### Women Employment and the Pandemic (UK)



- Powell et al (2022)
- Hupkau and Perongolo (2020)

 Similar story for the UK

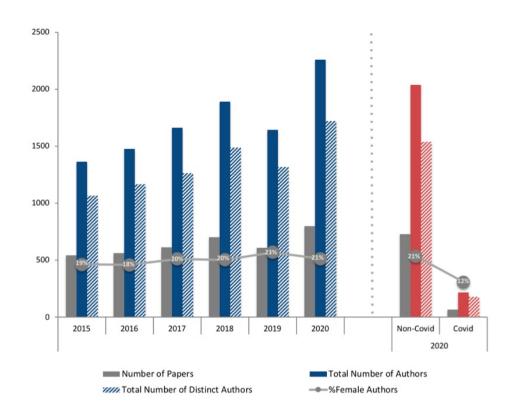
Source: ONS, Labour Market Bulletin, Table A02 SA, 15 February 2022.

### What do we know?

Productivity during the pandemic

## The impact of COVID-19 measures on women's research productivity - Economics

Figure 1: NBER and CEPR WP Series

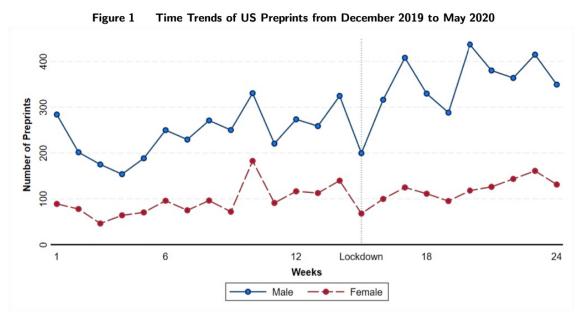


Source: NBER, CEPR, and authors' calculations.

Amano-Patiño et al. (2020)

 while the relative number of female authors in nonpandemic related research has remained stable with respect to recent years, women constitute only 12% of the total number of authors working on COVID-19.

## The impact of COVID-19 measures on women's research productivity – Social Sciences

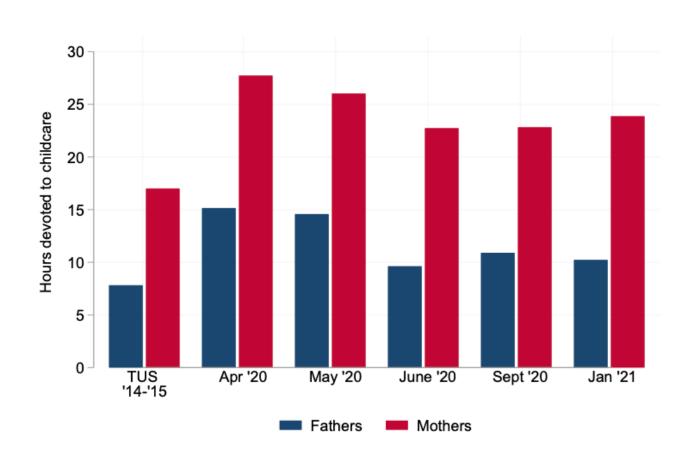


This graph plots the time trend of the number of preprints for female and male academics. The vertical line represents the start of the lockdown due to COVID-19 in the US.

Cui et al. (2020)

- US-based female researchers' productivity significantly dropped since lockdown began, in comparison to their male colleagues.
- during the 10 weeks of lockdown female academics' productivity dropped by 13.9% compared to that of male academics.

#### How to link up these two pieces of evidence?



- women have bore the burden of increased caregiving even as they managed to hold on to their jobs.
- working from home with young children at home is detrimental to productivity (e.g. <u>Andrew et</u> <u>al. (2021))</u>

### What about going forward?

WFH, gender inequality and productivity

#### Long run effect of WFH

- Firms expect a permanent increase in WFH relative to pre-Covid. (ONS and Decision Maker Panel (DMP))
- Workers expect to WFH more in the future (ONS and Barrero, Bloom and Davis (2021))
- Older workers and mothers prefer more WFH (ONS, Royal Society for Public Health and Bloom (2021)).

#### Research open questions:

- Impact of WFH on:
  - Gender pay gap
  - Female Labour supply
  - Female productivity

- Evidence of 'motherhood penalty'
  - widens the gender pay gap as women reduce hours and earnings after having a child (e.g. <u>Goldin, Kerr and Olivetti (2021)</u> for the US and <u>Costa Dias, Joyce and Parodi (2021)</u> for the UK).
- The long-run impact of WFH is ambiguous:
- 'motherhood penalty': more flexibility in the household increases mothers' working hours, easing the pressure through enhanced shared childcare with fathers.
- 'motherhood penalty': decrease in productivity, not obvious if high profile jobs are doable from home, is there a value to presenteeism?

