COVID-19 AND IMPLICATIONS FOR INCLUSIVE ECONOMIC EMPOWERMENT IN CARICOM: POLICY AND PROGRAMME CONSIDERATIONS

When compared to other regions, the number of CARICOM cases have been few, but are increasing. It will be necessary to develop and implement programmes and policies that will support inclusive socio-economic stability while efforts are made to contain the spread of the virus. In addition, the outbreak in other regions and travel restrictions are already having a devastating effect on the tourism industry on which many countries in the region depend. To illustrate, Barbados has lost $1.8 million in cancellations, with bookings anticipated to go down to zero by September 2020. To prepare for the expected increases in unemployment and economic insecurity, CARICOM must design effective measures for mitigating the poverty-related impacts of COVID-19 and ensure that these measures are gender-responsive.

Working Women

The prospect of higher unemployment looms large given the high dependency on the tourism and service sectors. Already across Barbados and the OECS many workers have been dismissed for 3 to 6 months without pay because hotels have to close. Occupational sex segregation is pervasive in CARICOM. A recent UN Women analysis of 2017 labour force data in six countries (Barbados, Grenada, Guyana, Jamaica, St. Lucia and Trinidad & Tobago), show that the majority of workers are in the services and sales sectors (ranging from 62% to 69%). Women in these countries are far more likely than men to work in accommodation and food services, a proxy measure of employment in the tourism sector. To illustrate, 9,215 women in Barbados work in these industries, compared to 5,762 men; in Jamaica, 58,387 women compared to 36,316 men and in Guyana, 2,605 men compared to 8,902 women. The study confirmed that women are over-represented in the clerical category (75% to 82%). Women are more likely than men to be employed by government. In Jamaica 9% of men workers compared to 16% of women workers are employed by the government. Similar patterns obtain in the other countries for example, women comprise the majority of teachers and nurses.
Women Small Business Entrepreneurs

Despite women being more highly educated and, in some countries, comprising a high percentage of managers, most firms in CARICOM are owned by men. Some countries, including in CARICOM, are introducing measures to mitigate the negative economic impacts of COVID-19. In Jamaica, a JMD 18 billion tax stimulus package, the largest in the country’s history, is being provided. This comprises a JMD 1 billion MSME tax credit, JMD 3 billion in incentives to financial institutions for lowering of fees and interest rates and JMD 14 billion in reduction of the General Consumption Tax.iv For those women who choose entrepreneurship either out of necessity or desire, they must equitably benefit from measures to provide liquidity and other assistance, to businesses. These include sole-operators/one-person business establishments, small and medium-enterprises.

Given the above, any economic contractions resulting from COVID-19 will mean that women working with the state will have some buffer with their sick leave benefits. For people working in the service industry such as those working in restaurants, hotels, and other tourism-related industries, underemployed, self employed, or those working part-time and/or in seasonal employment, there is a real prospect of protracted unemployment with no security net. While there are specific provisions for unemployment and sick leave benefits for workers in these sectors, it is difficult to assess employer compliance in the absence of research in this area. For those without paid sick leave, the development sector, private sector and financial institutions should be approached to develop alternatives e.g. low or no interest loans or cash grants to ensure these women and men can survive 2 to 3 months without salaries. Occupational health and safety for these workers should be complemented with access to sick leave as a universal entitlement, unemployment benefits or public assistance to women and their dependents in case of dismissal. Efforts should be made to investigate a few child care centres remaining open for the children of health care and essential workers, with all the necessary health and occupational safety provisions. Women mainly staff these child care centres. The impact of school and day care closures should be assessed carefully. If children of women who are working are asked to remain home, measures must be put in place to protect women from unfair dismissals if they choose to remain with their children.

Women Rural Producers

Women farmers comprise a much smaller percentage of the agricultural labour force than men (for example 11% in Barbados and 24% in Jamaica). Nevertheless, it is widely acknowledged that CARICOM’s food and nutrition security relies on the work and contributions of smallholder farmers, including women farmers. COVID-19 may force the region to reduce its significantly high food import bill given the closure of borders and interruptions in global food supply chains. Measures to encourage local food production, to mitigate the clear and present threats to food safety and security, must also include women farmers and agri-business entrepreneurs throughout the supply chain, from primary production to marketing and sale of produce and products.
Measures for Vulnerable Groups

Elderly

Given the high rates of risk factors for COVID-19 in the region (high prevalence of non-communicable diseases) all Caribbean people are at risk, especially the elderly. COVID-19 has resulted in elderly women and men experiencing higher mortality rates than other populations. Elderly men have been most at risk of death. Elderly men influenced by unhealthy stereotypes may avoid asking for help and seeking medical assistance. Incentives linked to social safety nets should be made to encourage elderly men to seek medical assistance as soon as possible if they feel ill to avoid additional costs to the state and an increased burden of responsibility of care on their spouses or children. With mortality rates being higher among elderly men, with or without COVID-19, it is expected that elderly women who were never in the active labour force will have to rely on public assistance, or depend on the incomes of their spouses (who are currently most at risk) or other family members. Prioritization of social assistance to elderly women without an income is a necessity. Public assistance systems usually make cash-based payments to beneficiaries in CARICOM. Beneficiaries either collect the cash themselves or, in the case of many elderly people, assign their children or relatives to collect on their behalf. Given the social distancing directives, electronic transfers are probably a preferred modality for those elderly women with bank accounts, although this raises questions about the need to increase familiarity with and skills to use these systems among older women generally and particularly those who are poor. Partnerships with development agencies could include special cash transfer cards and all lines of credit to the elderly who are not engaged in formal banking systems, including elderly women. The quantum of this support will have to be assessed to determine if the amounts provided can meet their basic needs, given the context.

It is expected that there will be a further increase in women’s significant care-giving burdens. These include caring for the sick, and as a result increases in medical expenses, expenditures for procuring protective equipment and materials, food and utilities. Consequently, for those elderly women without an income who are currently not receiving any form of assistance, assessments will need to be undertaken to ascertain their status and measures put in place to prevent widening of current vulnerabilities and risks of being exploited. For elderly women with pensions (i.e. they would have been active in the labour force and earned an income prior to retirement), assessment of the quantum should also be undertaken to assess sufficiency, given the anticipated increases in caring responsibilities and increased household, medical, food and utility expenditures. It will be important to ensure that these women, who might currently be “non-poor”, do not become poor.

Women Beneficiaries of Public Assistance

Women and their dependants who are currently receiving public assistance are particularly vulnerable. Currently, the delivery mechanisms to receive assistance often require in-person appearance at government offices. With social distancing directives, quick electronic transfers must be put in place. For women without bank accounts, support for enrolling them in bank or credit union accounts, that will not charge them a fee for receiving public assistance payments, must be undertaken. Ironically, the tragic advent of COVID-19 provides a unique opportunity to shift towards electronic payments and advance women’s financial inclusion, while taking measures to guarantee continuity of receipt of their benefits. As inter-agency coordination among public assistance programmes remains a challenge in many countries, women beneficiaries often have to go to several offices/centres to collect their benefits. For example, if they are receiving food vouchers, they have to collect these separately and can only use their vouchers at specific supermarkets. Food security is therefore an immediate challenge for women who are receiving public assistance. They may have to take public transportation to these supermarkets. Their children might be eligible for transportation and school meal assistance. But these services might be delivered separately from the cash benefit. The coordination challenges must be addressed with immediacy. Where conditionalities, like proof of children’s attendance, are in place for women to receive benefits, these must be waived immediately when social distancing measures are put in place.
Although these provisions take women's unique vulnerabilities into account, they will make all interventions more effective. This is because these provisions will benefit families and are applicable to all who experience similar vulnerabilities. The need to scale up and expand public assistance (also in the context of job losses among women who may not have access to unemployment benefits); and the need to adapt benefit levels and delivery models to the new context are the two critical challenges that must be immediately addressed in order to protect the most vulnerable.