

How did COVID-19 pandemic impact on women's employment in Iran?

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The coronavirus pandemic has been a threat to public health on a global scale and it has affected millions of people around the world to this day. According to World Health Organization, more than 5.5 million people have died as a result of it, turning it into a great human catastrophe of the recent history. However, the outbreak of the disease have had irreversible effects on the global economy including economic slowdown, industries shut down, disruption of supply chains and finally losing a lots of jobs in particular small- medium size businesses. According to Anu Madgavka, these impacts have been deeper on women's economic standings, as women's job are 1.8 times more vulnerable to this crisis than men's jobs; In specific, disproportionate impact of the Covid has been on female entrepreneurship, including women-owned microenterprises in developing countries (Madgavkar, A. et.al, 2020). In Iran, too, the already low participation of women in the economy was drastically affected.

According to the latest report of the Statistics Center of Iran, the number of employees in the country at the early 2021 was 23 million 263 thousand 47 people, which compared to 2020 indicated a decrease of 1 million 10 thousand 470 people. Besides that, It is noteworthy that out of 1,104,470 people who lost their jobs in the past year, 347,618 were men and 662,852 were women. This indicates that the number of women who lost their jobs during the pandemic was twice as high as that of men. According to the latest report of the World Bank Data in 2021, women constitute 18 percent of labor force in Iran and yet they were most affected by the COVID-19 crisis (International Labour Organization).

To have a better understanding of the reasons for this different impact, one must first have a comprehensive understanding of the trends that the Iranian labor market has gone through in recent decades. The Iranian labor market can be divided into three periods;

1) The first period was between the years 1997-2005 during which both male and female Labor Force Participations increased significantly from 14.8 million to 20.6 million. During this period, the economic participation rate also increased from 34% to 41%.

2) In the second period, the situation was reversed. From 2005 to 2013, the number of labor force constant, but nevertheless, economic growth in this period, as in the previous period, was 4.4 percent. However, about 7 million people were added to the working age population during this period, a significant portion of which remain inactive and instead pursued higher education. During this period, the number of employees remained stable at about 20.6 million.

3) In the third period between 2014 and the end of 2019, before the outbreak of the pandemic, the growth rate was negative, yet about 600,000 were added to the working population. In addition, approximately 4 million people were added to the working age population. 3.5 million of them entered the economically active population.

The third period has some distinguishing features that should be bearded in mind; Firstly, 50% of the jobs that were created in this period belonged to women. This means that women, who in the previous period accounted for only 18% of the active labor force, were able to establish 50% of the new jobs in the later period. This sudden change in terms of gender in a marketplace that had been mostly dominated by men, as well as the difference in the nature and type of the created jobs by women resulted in not having enough supportive policies to uphold the newly added working population. In addition, in the earlier period, the majority of the active labor force were employed and they were under corporate insurance coverage. However, the focus of the active labor force and women in specific in the third period shifted toward setting up micro-enterprises mostly in service sector which, as mentioned earlier was different from the composition of the Iranian labor market. Another important feature of the later period was the addition of a large number of educated people to the labor market. Statistics show that in 2021, of the total unemployment rate in the country, unemployed graduates accounted for about 39%, among which the share of the educated men was 26.4 % and the share of the women was 71%. To put it differently, 71% of the unemployed women had higher education.

It can be concluded that at a first glance it seems that women have lost twice as much work as men as during the pandemic in Iran, but a closer look at the level of women's participation in the economy shows otherwise. Out of 19 million and 953 thousand working men in 2020, about 1.7% of them lost their jobs in 2021, but out of 4 million and 320 thousand working women in 2020, about 15.3% of them in 2021 lost their job. This means that the ratio of women to men who lost their jobs is about 9 times higher and consequently the economic toll of the pandemic on female labor force has been harder.

The Covid-19 crisis has caused an unprecedented loss of jobs, with women being hit the hardest. Therefore, it is essential for all countries and developing ones in specific to put a recovery plan in place that is inclusive and sustainable and is tailored to the national context in a way that addresses the already widen gender-specific effects of the pandemic. This should also include identifying the pitfalls of the current policies; supporting the contribution of the micro-enterprise and small businesses established and run by women, and establishing job retention schemes and resilience to minimize the possibility of the loss of women's work in the future pandemics.