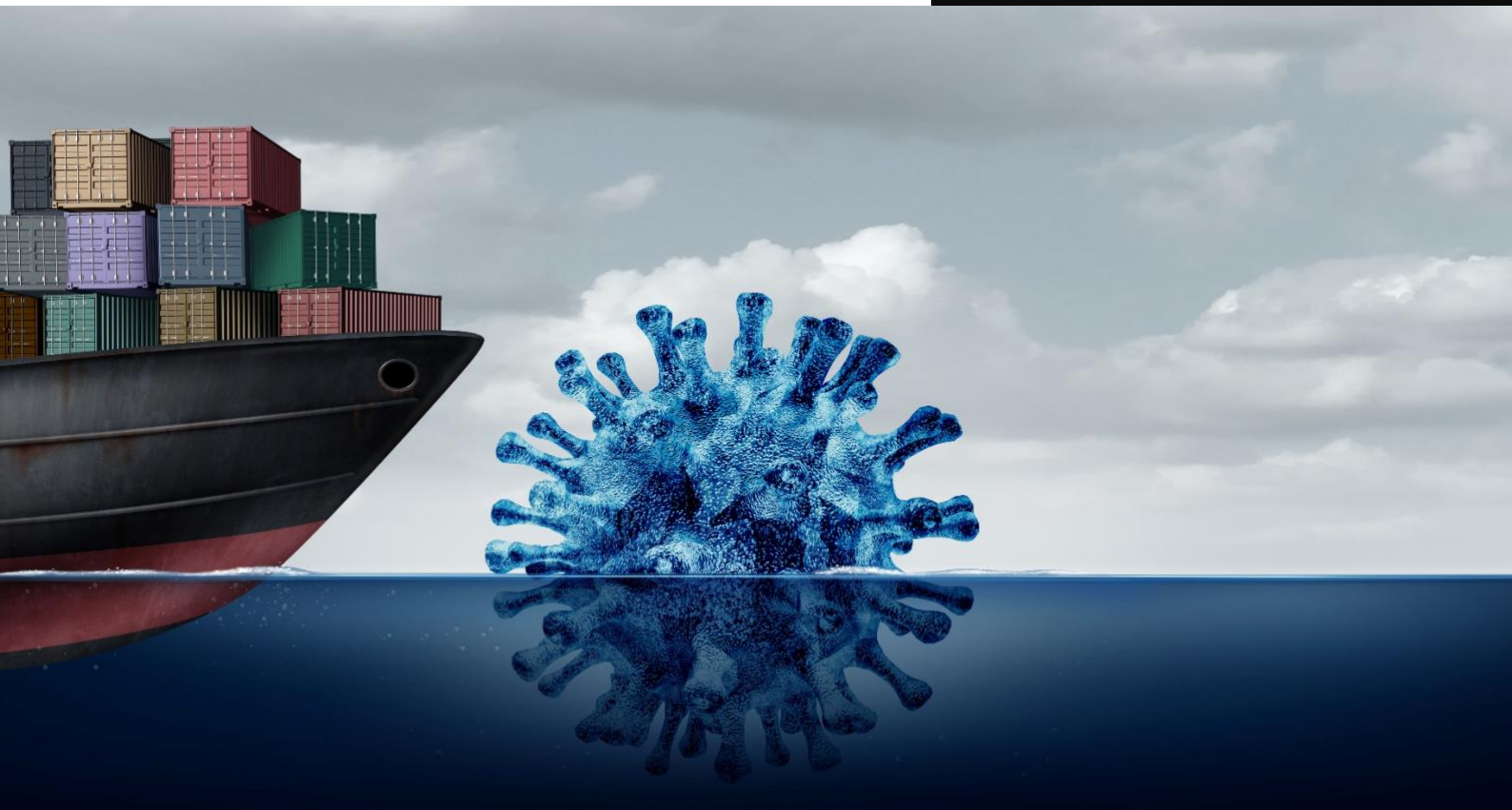




2020

MONITORING COVID-19 IMPACT ON WOMEN IN SHIPPING (FIRST EDITION)



Preface

COVID-19 has enforced a new way of living upon us, one of social distancing, restricted movement, and adjustment to a new norm. Death numbers are horrific, and while the world mourns the loss of so many people, the global goal is to flatten the curve.

Next to this unimaginable loss of life, governments also need to deal with the catastrophic results on their economies. Whole industries have been disrupted, people are losing their jobs, and there is uncertainty about the future.

Our industry is also trying to respond. There have been many challenges, but our seafarers are facing the most significant difficulties. There has been a reassuring swell of voices for countries to treat seafarers as critical workers and allow officers and crews to join and leave ships. Mental health is an issue that is discussed openly now, and we need to continue treating ships crews well, make sure they are offered access to communication, and we need to keep them interested in their roles. WISTA will address this issue in a separate monitoring project that we have been running for some years now, and its updated version will include the effects of the coronavirus.

While the whole world suffers, there are already reports emerging that the pandemic crisis will affect women and girls the most. Before COVID-19, we began to see growing opportunities for women and diversity in general, and in our industries too. I hope that once the Covid-19 restrictions are eased, we can continue with these efforts.

One of our fears is that the efforts to boost national economies will dampen or obstruct what has been happening. This was emphasized by the UN Secretary-General António Guterres when he said that the “limited gains in gender equality and women’s rights made over the decades are in danger of being rolled back due to the COVID-19 pandemic”, and he “urged governments to put women and girls at the centre of their recovery efforts”. This cannot be done solely from one government, or one industry, and within the shipping and maritime industries, it cannot be done only from WISTA. One of the roles we do have as WISTA is to make it clear that in an international industry like shipping there are opportunities for everyone, and we can remain a beacon for diversity where it is needed.

Collectively, we have to resist falling back on tried, trusted, but in today’s world, inappropriate methods for recovery. We need to remain committed to sharing the benefits of diversity and sustainability across corporations, industries and societies.

Despina Panayiotou Theodosiou

President

WISTA International

1 INTRODUCTION

Before the arrival of 2020, it was clear that building a more inclusive economy would be the goal of industry leaders in pursuit of sustainable global competitiveness, and that gender equality should be hand-in-hand with strategies to improve sustainable development.¹

An International Monetary Fund - IMF study suggested (in accordance with Ostry and others 2018)² that increasing women's employment would boost growth and incomes more than previously estimated, exceeding the improvement that comes simply from adding workers.

“Among countries where gaps in participation rates are the largest, closing them would add 35 per cent to GDP, on average” (Dabla-Norris & Kochhar, 2019). Four-fifths of the gains would come from adding workers to the labour force, but fully one-fifth would arise from the boost to productivity brought by greater gender diversity.

The study also showed that increasing women's labour force participation produces large gains in economic welfare, which account for changes in consumption of goods; these gains exceed 20 per cent in South Asia and the Middle East and North Africa (Dabla-Norris & Kochhar, 2019).

However, as addressed by The Global Gender Gap Report 2020 a call for action was already considered necessary as according to the figures presented, it would take nearly a century to achieve parity at the so present rate. This timeline did not match modern society expectations, especially among younger generations with more progressive views than the previous ones (World Economic Forum , 2020).

With regard to women in senior roles for example, although the referred report showed that 36% of senior private sector managers and public sector officials globally were

¹ UNITED NATIONS. *Sustainable development Goals: knowledge platform*. Accessed 18 May 2020.

² DABLA-NORRIS, Era; KOCHHAR, Kalpana. Closing the gender gap. *Finance & Development*. v. 56, n. 1. March 2019.

women, this number varied considerably from country to country and depending on whether the sector is more or less male-centred, as it happens with shipping and trading.

Concerning the pay gap, women spent three times as many hours as men in unpaid care and domestic work (United Nations, 2020), and the gender pay gap remains at 16% with women paid up to 35% less than men in some countries.

Going back to the beginning of 2020, as an industry we were examining how the Fourth Industrial Revolution would exponentially change the way we live, work and relate to one another due to the adoption of the Internet of Things, smart technologies, cyber-physical systems, and autonomous vehicles (including Maritime Autonomous Surface Ships – MASS in our sector)³. The WISTA position has been that with the advent of new technologies, there would be more opportunities for women to not only participate in the industry but also in management positions as previous requirements would now change⁴. Instead, due to the COVID-19 pandemic, any progress we had in the past decades is now at risk, and we need to address it carefully.

2 IMPACT OF COVID-19 ON WOMEN

A type of pneumonia of unknown cause detected in Wuhan, China was first reported to the World Health Organization (WHO) Country Office in China on 31 December 2019. It was declared a Public Health Emergency of International Concern on 30 January 2020 (World Health Organization, 2020).

On 11 February 2020, WHO announced a name for the new coronavirus disease: COVID-19. Until the date of this report and according to WHO there are 4.731.458 confirmed cases, 316.169 confirmed deaths in 216 countries.⁵

³ Available at: www.imo.org. Accessed 18 May 2020.

⁴ We do not discount the fact that there was also a fear from a part of the industry that jobs might be displaced, with a risk that these trends and drivers of change might sustain or worsen gender inequalities.

⁵ Available at: www.who.int. Accessed 18 May 2020.

While the disruption caused by the COVID 19 has far-reaching effects for all, its impact will be particularly detrimental to those most disadvantaged, especially in poorer countries.

“According to the ILO nowcasting model, global working hours declined in the first quarter of 2020 by an estimated 4.5 per cent (equivalent to approximately 130 million full-time jobs, assuming a 48-hour working week), compared to the pre-crisis situation (fourth quarter of 2019)”. (International Labour Organization, 2020)

“While the situation has worsened for all major regional groups, estimates indicate that the Americas (12.4 per cent) and Europe and Central Asia (11.8 per cent) will experience the greatest loss in working hours. Regarding income groups, lower-middle-income countries are expected to register the highest rate of hours lost, at 12.5 per cent, but the impact is comparable across countries with different levels of income.” (International Labour Organization, 2020)

With regard to Shipping as a sector, although the cruise industry has been the most impacted by the disease, responses to McKinsey Global Survey on the economy, conducted from April 6 to April 10, “show that two-thirds of respondents expect a moderate or significant contraction in the world economy’s growth rate—that is, a recession or a depression” (McKinsey & Company, 2020) which consequently will affect the shipping and trade industries.

The impact of this recession or depression is expected to affect women’s lives differently to men’s, as women started the fight against the virus earning less, having less access to health and social protection and having more hours of unpaid and care work. They are also more likely to be in the informal economy (70% of all women’s employment in developing economies is informal work) and be a single parent.

As women living in countries with recommended or required workplace closures took greater care demands at home, their jobs and careers will also be affected by losses and cuts.

In addition, emerging evidence shows the increase of violence against women around the world to be in the region of 25% in countries with report systems in place, having doubled in some.

Another distinctive theme that emerged strongly is that the impact of COVID 19 in women, may also differ by race. According to a World Economic Forum article, the disproportionate impact of the pandemic on African Americans in much of the American countries is becoming more apparent, and evidence points to a similar deadly disparity in the UK and Europe.

‘Some of the reasons relate to complex social inequalities, making it more urgent than ever to address them.’ (World Economic Forum, 2020)

From past crises experiences, we can project that if nothing is done to protect women, the little progress of the past decades towards gender equality will potentially be nullified by the COVID 19 crisis resulting in, among others, social and human rights issues, a decrease of women’s income and labour force participation. It is imperative for governments and society in general to:

- 1) Monitor the impact of COVID-19 on women
- 2) Put specific policies in place to avoid jeopardizing the progress of the past decades towards gender equality.

3 THE CRISIS AS A CATALYST – FROM LEMONS TO LEMONADES

The pain of the COVID-19 pandemic, with so many losing their loved ones, and hundreds of millions experiencing the anxiety and loneliness of social isolation is devastating and will continue long after the crisis is over.

In parallel, COVID-19 is accelerating the changes already in course towards society’s next transformative moments, bringing opportunities for all of us to redefine our reasons for being.

Recent data⁶ show that we have fast-forwarded five years in consumer and business digital adoption. There is a shift to online ordering and delivery, online learning and digital classrooms, and companies are considering keeping workers fully or partially working from home even after the pandemic.

The role of workplace flexibility can also bring about persistent changes to gender norms, and as a consequence, more gender equality as it happened during and after World War II with regard to female employment.

According to WHO, women form 70% of workers in the health and social sector⁷. As a consequence, while these women are working on the front lines during the crisis, many fathers will be working from home, having an unprecedented opportunity to take on childcare responsibilities.

This new, albeit forced experience is also making employers take notice of the importance of childcare. Hence, even though women are carrying a higher burden during the COVID-19 crisis, role models in a large number of families will be rebalanced and even reversed.

Besides, as businesses have to adjust fast to the new normal, the need for innovative and diverse teams⁸ becomes more urgent, and that can encourage the hire of women especially from countries where mobility⁹, lack of connectivity and social norms usually kept women out of the traditional employment market.

This can be good on two levels (familial and societal). On the familial level, there will be employment loss, as is typically the case during recessions, but it will be less severe

⁶ McKinsey & COMPANY. *Global surveys of consumer sentiment during the coronavirus crisis*. Accessed 18 May 2020.

⁷ WORLD HEALTH ORGANIZATION. *Gender equity in the health workforce: analysis of 104 countries*. Working paper 1. Accessed 19 May 2020.

⁸ Diverse management teams were more innovative than less diverse teams, according to BCG survey with 1700 companies in differing country locations. Companies with above-average diversity produced a greater proportion of revenue from innovation (45%) than from companies with below average diversity (26%) translated also in to a better financial performance. . BOSTON CONSULTING GROUP. *How diverse leadership teams boost innovation*. Accessed 19 May 2020.

⁹ Across five international cities (Lima 64%, Madrid 67%, Kampala 79%, Delhi 69%, Sydney 60%, “on the street” is the most unsafe place for young women and girls. PLAN INTERNATIONAL; MONASH UNIVERSITY. *Unsafe in the city: the everyday experiences of girls and young women in the city*. The State of the World’s Girls 2018. Accessed 19 May 2020.

financially if there is a second earner in the family. On the societal level, societies will be able to recover faster from the crisis if they can count on all their talents and not only on half of the population.

From our side, what we can guarantee is that even though the crisis is inevitable, the way we lead, and its consequences, are not. The right way to lead is by engaging everyone towards a sustainable and global recovery.

4 HOW CAN SHIPPING INDUSTRY RESPONSES ADDRESS THE GENDER IMPACT OF COVID-19

We conclude with some thoughts on policy options for governments, companies and employers in general, whom we invite to lead towards the decrease of gender inequality, turning the challenges of this current crisis into opportunities through the following (and not exhaustive) initiatives:

- Ensure women's representation in crises response plans, teams and jobs
- Guarantee real gender equality by addressing the burden of unpaid family care that usually on the women
- Ensure women's proportional income and participation in the labour force
- Give visibility to women's work and achievements.
- Guarantee women's safety, especially during quarantine restrictions, offering options of communications and support.

5 HOW CAN WISTA HELP?

Formed in 1974, the Women's International Shipping & Trading Association (WISTA International) is a global organisation connecting female executives and decision-makers around the world.

WISTA International serves as a connector for governments, industry and more than 3,800 female professionals from all sectors of the maritime industry in 54 countries.

To learn more visit www.wistainternational.com

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The views and opinions expressed in this article are those of the authors and do not necessarily reflect the official policy or position of WISTA.

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