

Covid-19: Public Policies and Society's Responses



Quality information for refining public policies and saving lives

Technical Note 3

Black men and black women are the most vulnerable in the crisis. However, a “new vulnerable” group emerges, white men and white women in non-essential services

Conclusions

- The regional distribution of vulnerability groups is rather similar across the country. But there are nuances. Less developed regions, such as the North and Northeast, have a greater share of workers in essential sectors and with more fragile employment relationships. In the South, Southeast, and Midwest the highest vulnerability stems from the large presence of workers employed in non-essential sectors.
- The difference in vulnerability of men and women is the result of sectorial segregation: men are more present in essential sectors and women in non-essential sectors.
- The difference in vulnerability of black and white people is a result of differences in employment relationships: white people have more stable employment relationships and black people have more fragile employment relationships.
- The research revealed a new dimension of vulnerability: white men and white women are the “new vulnerable”: they mostly occupy sectors dominated by people with Complete Higher Education and more stable employment relationships, albeit in essential, highly affected, or non-essential sectors.
- Black men and black women comprise “traditionally vulnerable” social groups: they mostly occupy sectors dominated by fragile employment relationships. Black women are the most vulnerable group insofar that they are more present within non-essential sectors.
- The “traditionally vulnerable” are more vulnerable than the “new vulnerable”.

Introduction

This note updates the classification of workers' vulnerability, identifies the association between employment relationships and economic sectors, and shows the different degrees of vulnerability when we relate regional variations and social groups by education, gender, and race.

Vulnerable jobs

Our strategy to identify employment vulnerability is fundamentally based on two criteria: a) the instability of the worker's **employment relationship or position**; b) the degree of fragility of the **economic sectors** on account of the pandemic.

Classification of employment relationships and economic sectors

Three categories guided our classification:

- **Highly unstable employment relationships:** the type of relationship held by informal workers, whether unregistered employees (in companies or households) or informally self-employed.
 - **Medium unstable employment relationships:** domestic employees with formal registered contracts, formalized self-employed, employees and employers in small businesses or establishments.
 - **Lowly unstable employment relationships:** formal workers in medium and large companies, statutory civil servants, military personnel, and employers in medium and large companies.
- Our sectoral classification follows the classification established by the Federal Government for "Essential Services" and "Non-Essential Services" (see Provisional Measure nº 926/2020). We then refined this classification by subdividing "Essential Services" into two groups: on the one hand, those who have experienced severe – and documented – economic losses; on the other hand, those who were able to shield themselves (or even improve their performance) . In general, we considered as economically affected the Essential Sectors that fall into at least one of the three cases:
 - Decreased mobility in commercial establishments when compared to a typical period, according to Google Mobility Reports
 - Decreased revenues (via credit card transactions) when compared to a typical period, according to the Cielo Reports
 - Layoffs or decreased revenues, according to the employers' statement to the SEBRAE
 - In any other situation the registration of this Note was "lowly affected" economically.

Vulnerability Groups

The crossing of the two classifications, employment relationships, and sectors generated a table with nine cells, each one representing what we call a **Vulnerability Group**.

Vulnerability Groups, however, do not directly conform to an ordinal scale nor are they a socioeconomic criterion. The notion of vulnerability, within the context of the Covid-19 economic crisis, concerns the possibilities of layoffs and/or impact on income, which may afflict hitherto stable groups with a high socioeconomic status.

¹ Economic performance indicators were generated from three sources: the Google COVID-19 Community Mobility Reports databases; information on credit card transactions provided by the Cielo Reports; data from the second stage of the research "Coronavirus and the Impact on Small Businesses" conducted by SEBRAE.

Results

Brief overview of Vulnerability Groups

According to the estimates in this research, 83.5% of workers find themselves in a vulnerable position: 36.6% because they have informal (highly unstable) employment relationships; 45.9% because, while formally registered workers, they were drastically affected by the economic dynamics. We call this last group the “new vulnerable”, which add up and double the usual contingent of workers at risk. We shall see below, however, that the socioeconomic profile of this group is significantly different.

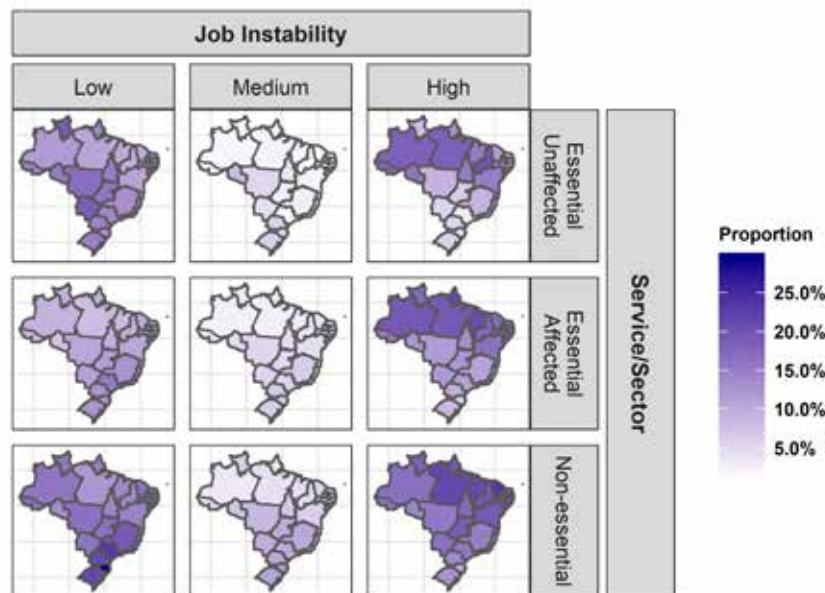
Table 1 – Distribution of Vulnerability Groups

	Low	Medium	High
Essential - Lowly Affected	Less vulnerable segment (16,5%)		Informal (37,6%)
Essential - Highly Affected	“New Vulnerable “ (45,9%)		
Non-Essential			

Individuals with more stable employment relationships, working in essential sectors not economically affected, account for only 13.8% of the employed workforce.

Regional profile

The maps below, organized according to vulnerability quadrants, show a reasonable similarity between the states in the distribution of jobs among “Essential Sectors” and “Non-Essential”: we find little variation along the vertical axis. This political distinction affected all states more or less homogeneously, despite the patent differences in the productive structure.



This new classification allows us to identify the high concentration of informal employment relationships, especially in the North and Northeastern states, as the main reason for the fragilization of these labor markets – aggravating vulnerability even in essential sectors with good economic performance. Ceará, Maranhão, and Pará have the highest proportions of workers in the most critical situation: highly unstable employment relationships in non-essential sectors. Santa Catarina, by contrast, stands out with the lowest percentage in this category.

State-level convergences and divergences

The composition of vulnerability groups is fundamentally similar across the states – a surprising finding given the differences in the productive structure. The Table below presents the five emblematic branches of economic activity of the most vulnerable categories and indicates in how many states (27 in total) each sector figures among those that employ the most.

Sector	Employed	# States
Highly unstable employment relationships Non-Essential Service		
Domestic services	4.484.231	27
Hairdressers and other beauty treatment activities	1.451.679	27
Maintenance and repair of motor vehicles	881.327	25
Trade in clothing, accessories, footwear, and travel goods	801.225	25
Street trade and fairs	757.523	21
Highly unstable employment relationships Essential Service Affected		
Construction of buildings	3.102.508	27
Restaurants and other service establishments dedicated to food and beverages	1.761.122	27
Trade in food products, beverages, and tobacco	1.612.247	27
Road passenger transportation	1.100.533	19
Specialized construction services	992.735	18
Medium unstable employment relationships Essential Service Affected		
Trade in food products, beverages, and tobacco	791.044	27
Restaurants and other service establishments dedicated to food and beverages	763.956	27
Construction of buildings	625.578	24
Road passenger transportation	397.361	16
Specialized construction services	384.727	9

Domestic workers are, homogeneously, the most affected segment; followed by beauty treatment service workers.

We also found a significant convergence in the most protected segments. The group of essential services lowly affected economically and with low vulnerability employment relationships is formed, mainly, and across all localities, by workers employed in the state and municipal public administrations as well as by employees in supermarkets and hypermarkets.

The research showed that there are more convergences than divergencies regarding the most affected segments across all states. The five sectors that employ the most, within each group, are almost always the same across the 27 states. This could engender similar or convergent strategies to reduce the effects of the crisis based on articulations between the states and federal policies.

Analysis by social groups

Education

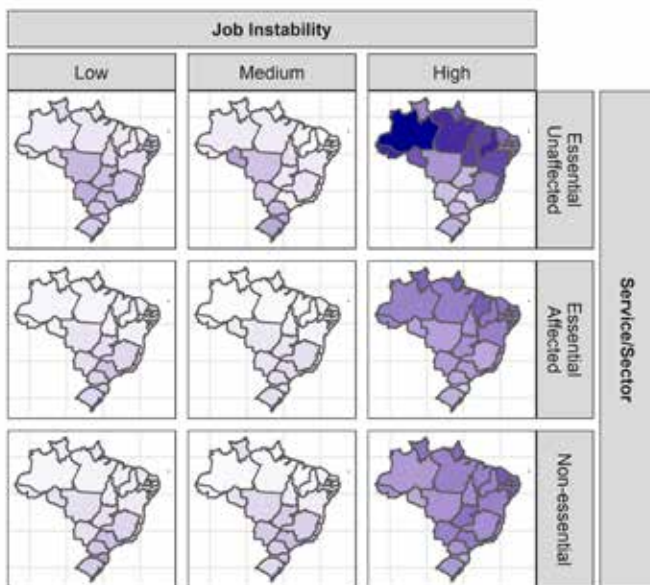
Education divides workers when it comes to both employment relationship as well as sectoral characteristics. As the educational achievement scale rises, we find more workers in groups with more stable employment relationships as they, correspondingly, leave the essential sectors.

While workers with only Incomplete Elementary Education are more commonly employed in Essential Sectors not too affected by the dynamics of the economy, they have highly unstable employment relationships and are therefore frequently exposed to risk – even in customary contexts.

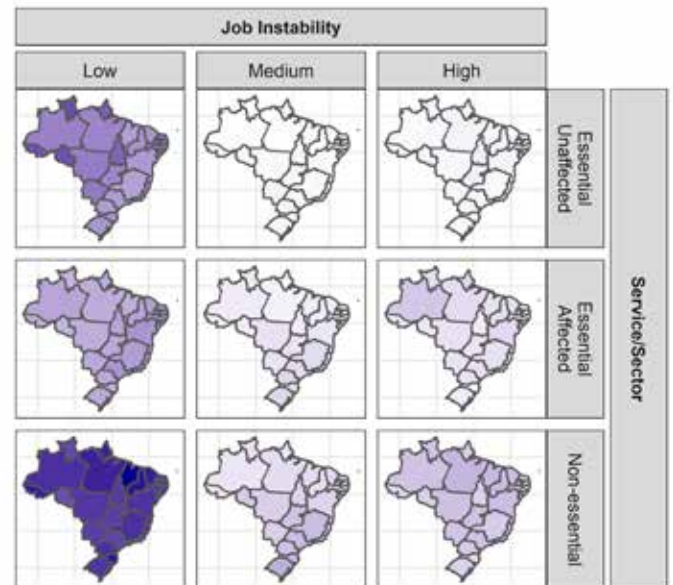
The novelty brought about by the Covid-19 pandemic was that activities classified as non-essential are precisely those with a higher concentration of workers with a Higher Education diploma.

Therefore, although they traditionally have more stable employment relationships, they find themselves in the current conjuncture as members of the group we call the “New Vulnerable”.

Incomplete Elementary Education



Complete Higher Education



Gender and Race

When exploring the differential participation of gender and race groups, the results are clear:

- Men and women differ mainly by type of work sector
- White and black people differ by type of employment relationship

The participation of women is more pronounced precisely in non-essential sectors, whereas men are mostly located in sectors deemed essential. The degree of differential vulnerability between men and women is, therefore, due to sectorial segregation by gender. Because women are less present in sectors deemed essential, they are more prone to layoffs and income loss.

Racial differences are, on the other hand, marked by differences in types of employment relationships. We find a very pronounced similarity in how white and black people are divided across sectors, whereas black people are mainly concentrated in groups with less stable employment relationship, which makes them more vulnerable to the crisis than white people.

The table below shows how race and gender combine.

Table 1 – Over-represented groups in each vulnerability quadrant

	Low	Medium	High
Lowly Affected Essential Service		White Men	Black Men
Highly Affected Essential Service		White Men	Black Men
Non-Essential Services	White Women	White Women	Black Women

The above table clearly shows that white men and white women are over-represented in the groups we call the “new vulnerable”. Furthermore, these are mostly sectors dominated by people with Complete Higher Education and better employment relationships (low and medium instability). However, they comprise highly affected essential sectors or even non-essential sectors.

Black men and black women are the “traditionally vulnerable”: they mostly occupy sectors dominated by fragile, undereducated employment relationships. Furthermore, it is worth mentioning that even within this group, gender inequality mostly affects black women as they combine the most unstable employment relationships and non-essential sectors.

Final considerations

The distribution of vulnerable groups strongly correlates with education, gender, and race of the employed population. The pre-existing segregation by activity sectors and access to the most stable formal employment relationships now determines the distribution of risks. For the first time, relatively more protected (and whiter) groups are threatened. This does not, however, eliminate race and gender inequalities in the substrate, but rather accentuates them.

ABOUT

We are over 40 researchers, actively engaged in the task of improving the quality of public policies within federal, state, and municipal governments as they seek to act amidst the Covid-19 crisis to save lives. We dedicate our energies towards rigorous data collection, devising substantial information, formulating indicators, and elaborating models and analyses to monitor and identify pathways for public policies and review the responses presented by the population.

The Solidary Research Network has researchers from all scientific fields (Humanities as well as Exact and Biological Sciences) in Brazil and overseas. For us, the combination of skills and techniques is vital as we face the current pandemic. The challenge ahead is enormous, but it is particularly invigorating. And it would never have come to fruition if it weren't for the generous contribution of private institutions and donors who swiftly answered our calls. We are profoundly grateful to all those who support us.

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