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**“Innovation at work: National
strategies to achieve gender equality in
employment”**

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Why is gender equality in the labour market a political priority?

While women's participation in the labour force has increased gradually over the last ten years, globally, this increase has been very slight – 0.5 percent (from 51.7 percent in 1995 to 52.2 percent in 2005). Despite the slight decrease of male participation (1.3 percentage points in 2005 to 80.8 percent), the gap between adult women and men is still wide: 28.6 percent in 2005.

Of roughly 520 million working people living in extreme poverty (earning less than \$1 a day), an estimated 60 per cent are women. Women find it more difficult than men to break out of poverty, owing to gender inequalities in the share of household responsibilities, access to education, training and employment, as well as in economic and political decision-making. Women are less likely than men to hold paid and regular jobs and more often work in the informal economy; fewer women than men own businesses; and worldwide, over 60 per cent of unpaid workers in family enterprises are women.

Women provide important contributions to the economy through both remunerated and unremunerated work in the labour market, at home and in the community. However, gender stereotypes, and horizontal and vertical sex segregation¹ in the labour market contribute to gender inequality in employment worldwide. These factors have not only direct costs to women in the form of high rates of unemployment and underemployment, lower earnings and higher poverty, but also societal costs in the form of lost economic growth opportunities, tax-base erosion and increased welfare costs. It is, therefore, critical that decent and productive employment for women, including young women, is kept high on the development agenda.

What can Governments and other stakeholders do to promote gender equality in employment?

Sex-based discrimination limits women's employment options and promotion opportunities vis-à-vis men, resulting in *vertical sex segregation*. Yet studies have shown that companies with higher representation of women on their top management teams actually experienced better financial performance than companies with lower representation of women in such positions²—challenging the belief that segregation is due to differences in women and men's abilities. To eliminate vertical segregation, governments and other stakeholders should address the root causes, such as gender stereotypes, gender inequalities in education and training, and lack of gender-sensitive human resources management policies as well as consequences for failing to eliminate discriminatory policies and practices. Examples of innovative approaches include:

- Norway adopted a law (2003) which requires 40 per cent women on private sector boards. In the case of non-compliance by 2008, companies will be dissolved.
- The Law on Quotas in Colombia stipulates that women must occupy at least 30 percent of all public positions at decision-making levels.
- The Economic and Social Council of Croatia has proposed tax benefits for companies and institutions that have more than 50 percent women in their workforce.

¹ Horizontal segregation: the distribution of men and women across occupations (e.g. women as nurses and men as truck drivers). Vertical segregation: men and women in the same occupation but with one sex more likely to be at a higher grade (e.g. women as production workers and men as production supervisors).

² For more information, see the following studies: Adler, Roy D. (2001) "Women in the Executive Suite Correlate to High Profits" Glass Ceiling Research Center, Pepperdine University; "The Bottom Line: Connecting Corporate Performance and Gender Diversity." 2004 Catalyst, sponsored by BMO Financial Group; and Wirth, Linda (2001) "Breaking through the Glass Ceiling: Women in Management", and the 2004 Update, ILO, Geneva.

- Costa Rica introduced a system of Labour Market Certification with a “gender seal” aimed, *inter alia*, at changing attitudes and management in firms, private and public organizations to improve women’s situation in the workplace. The Certification process involves gender analysis of the enterprise and technical advice to eliminate existing gender inequalities. Only upon compliance with internal gender equality policies, adopted as a result of this process, will the enterprise be granted the “gender seal”.

Horizontal sex segregation reflects the predominance of women in less well paid service and care-giving work and their under-representation in traditional “male occupations” where wages and job benefits are generally better. To address this, governments and other stakeholders should promote a broader range of employment opportunities for women and girls by expanding their opportunities to pursue technical education and vocational training, as well as work in non-traditional sectors and occupations, such as engineering and science and technology. Similarly, men and boys should be encouraged to pursue careers and occupations traditionally regarded as women’s work. Gender stereotypes can be addressed through a variety of means, including through education and public information, communication and awareness-raising activities of success stories and role models. Examples of innovative approaches include:

- Companies worldwide, including IBM and British Telecom, have organized *Bring your daughters to work Day*, promoted by the Ms. Foundation for Women in the U.S. Google holds *Girls Engineering Day*.
- Jordan analyzed the image of women and family in school curricular and text books, developed a vocational guidance programme for young girls aimed at increasing their enrolment in vocational education and training, and revised the curricular for female vocational secondary schools in response to labour market demands.
- The ILO Inter-American Research and Documentation Centre on Vocational Training (CINTERFOR), with support of the Inter-American Development Bank, launched in 1998 a programme to strengthen technical and vocational training of low-income women (FORMUJER) in Argentina, Bolivia and Costa Rica. The programme aims to enable women to learn non-traditional competencies and access new niches of employment.

Women’s overrepresentation in the informal economy reflects their overall disadvantages in the labour market. Given women entrepreneurs’ important contributions to employment and economic growth, they should be specifically targeted in policies and interventions to formalize *informal enterprises*. Focus should be on creating commercial incentives and simplifying registration procedures, securing legal rights to property and credit, and ensuring access to the formal economy, information, markets, education and training and information and communication technologies. Specific measures, such as social security protection, should also be adopted to reduce the risks and vulnerabilities faced by informal economy workers, and facilitate their access to representative bodies of workers. Examples of innovative approaches include:

- In Bangladesh, Ghana, Indonesia, Nepal, Nigeria, Pakistan, Syria and Uganda, employers’ organizations advocated for business-friendly policies, supported small enterprise development, especially for rural women, created networks for women entrepreneurs and supported associations of women entrepreneurs.
- The National Union of Congolese Workers in the Democratic Republic of the Congo supported retrenched women workers in establishing and developing small businesses. It also established

health insurance services and a health fund that provide women and their families with health services and facilitate their access to anti-retroviral drugs.

- The International Confederation of Free Trade Unions (ICFTU) and global unions led the “Unions for Women Campaign” to increase the number of women members, in particular informal economy workers, in the trade union movement.

With increasing numbers of women in the workplace in both the public and private sectors and more men wanting to fulfill and enjoy parental responsibilities, there is an urgent need for *work-life-balance policies*. Such policies would benefit both female and male employees by encouraging a better balance between work and family or personal life, and could improve overall business productivity. Examples of innovative approaches include:

- The Icelandic Maternity/Paternity Leave and Parental Leave Act allows parents independent rights to maternity/paternity leave each for up to three months. The Act is innovative in that the fathers are granted a third of the whole parental leave.
- J.Sainsbury plc, a large food retail company based in the UK, offers a range of policies to enhance work-life balance, including part-time work, flexible contracts, job sharing, working from home, extended maternity leave, paternity leave, parental leave and career breaks.

Gender gaps in wages persist in all sectors throughout the world, as a result of vertical and horizontal segregation. Pay gaps can be addressed through, for example, legislation or policies mandating equal pay for work of equal value, as well as active efforts by workers’ organizations to organize and advocate on behalf of women. Minimum wage standards and laws can bring the pay rates of the lowest paid groups, such as female home-based workers, up to the level enjoyed by male workers.

- In 2006, France passed a law to eliminate gender pay gaps within five years. If desired results are not reached within three years, the Parliament will be requested to enforce a penalty on companies that violate the law.

Suggestions for the roundtable discussion

- Speakers should address innovative approaches to achieving gender equality in employment and at the workplace and the challenges in realizing this goal.
- Delegations are encouraged to contribute to the roundtable discussion by sharing country-specific innovation and good practices that have been instrumental in creating productive employment and decent work for all and in promoting gender equality in employment and at the workplace.