#### **Commission on the Status of Women**

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#### PANEL I

Enhanced participation of women in development: an enabling environment for achieving gender equality and the advancement of women, taking into account, inter alia, the field of education, health and work

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This statement focuses on the importance of creating a favorable policy environment and specific action to promote decent work in the context of globalization, that includes fundamental rights at work, social protection, representation and voice for the poor and especially women in the informal economy.

# Employment patterns for poor women and men in the fast-changing world of work

- 1. In an increasingly integrated global economy, rapid changes in production processes have radically changed the nature of work and employment, in both the formal and informal economies, for women and men all over the world. While the liberalization of trade and investment has opened up opportunities for employment, particularly for those with appropriate skills, it has also put pressure on sectors and workplaces exposed to increasing global competition, leading to job losses, work disruption, labour market adjustments and work informalization for most of the world's workers. The opportunities and costs of globalization are often not being equitably distributed among workers within and between countries.
- 2. As highlighted by the ILO's Director-General at the January 2006 World Economic Forum, these are the symptoms of a world that is slipping into an 'unprecedented global job crisis' where economic growth is failing to counteract the global decent work deficit. For the vast majority of the world's working men and women, the economic gains from globalization have failed to improve their working conditions and incomes. They have also increased their risk of not finding decent work that is, work performed in conditions of freedom, equity, security and human dignity.

### Characteristics of poor women's work

- 3. The growing proportion of women in the labour force has been one of the most striking recent labour market trends. Never before have so many women been economically active. In some parts of the world, globalization has created dynamic labour-intensive export production sectors which provide new jobs for women workers. In China, for example, young women from rural areas account for the majority of the urban labour force employed in the garment, toy and electronics industries. With the diffusion of information and communication technologies (ICTs) and the transborder delocalization or outsourcing of jobs, women have increasingly been drawn into segments integrated to the global economy. Similarly, in some regions, women account for an increasingly significant share of employment in corporate export agriculture.
- 4. Yet women face many obstacles—both old and new—to equal opportunities and treatment in the world of work. The growth in women's employment has not necessarily been accompanied by improved job quality, earnings or benefits for women. Gender-based discrimination persists practically everywhere and at all levels. In the formal

economy, labour markets remain highly segregated, with many women trapped in traditionally 'female' jobs which tend to be more low-status, insecure, unsafe, poorly paid, and without opportunities for advancement than those held by men. Such inequalities are not only based on sex differences, but may be amplified by discrimination based on age, ethnicity, class and migrant status. Even for similar work, women are still paid on average 20–30 per cent less than men in both industrialized and developing economies.<sup>4</sup>

- 5. Women still experience higher unemployment rates, represent a disproportionate share in the informal economy, and contribute more to the unpaid care economy than men. Worldwide, over 60 per cent of people working in family enterprises without pay are women, who thus have little or no control over the income they generate. Women's employment in the informal economy as a percentage of women's total non-agricultural employment is generally estimated to be higher than the corresponding rate for men. Since the urban informal economy has increasingly become a new source of employment for poor workers, more women than men tend to be found there.
- 6. In fact, women still represent the majority of the working poor in all world regions, accounting for 60 per cent—an estimated 330 million—of the world's 550 million working poor. And while proportionately more women than men are unemployed worldwide, the difference is more pronounced among young women under the age of 25 in Latin America and the Caribbean, in Southern and Western Asia and in Northern Africa. Adding up the 330 million female working poor and the 77.8 million women who are unemployed, we see that at least 400 million decent jobs would need to be created to counter the female decent work deficit.
- 7. Moreover, evidence is emerging that the opportunities opened up by increased global integration may not even represent sustainable gains for women. Recent studies by the United Nations Development Fund for Women (UNIFEM) and the United Nations Research Institute for Social Development (UNRISD) highlight that women's share of employment in manufacturing has been declining over the last 10–15 years in some regions. <sup>11</sup> This can partly be attributed to the increasing demand for highly skilled workers, which results in women being replaced by men in more capital-intensive or higher value-added jobs. <sup>12</sup>
- 8. Although the gender gap in remuneration has been gradually narrowing in most places—most notably in Latin America and in the OECD countries—it is still large. Contrary to conventional belief, women's lower educational attainments and intermittent career paths are not the main reason for pay differentials between men and women; other factors, such as occupational segregation, biased pay structures and job classification systems, and decentralized or weak collective bargaining, appear to be more important determinants of pay inequity. <sup>13</sup>
- 9. Many women have unequal access to social security services as compared to men, as they are more likely to work part-time or have irregular work patterns and interrupted career paths. Many poor working women, especially those in the informal economy, have

little or no access to health insurance, disability benefits, maternity protection or pension schemes. In the formal sector, women tend to be concentrated in jobs which attract fewer benefits than receive men, and have different work patterns from men. <sup>14</sup> Studies carried out by the ILO Global Programme: Strategies and Tools against Social Exclusion and Poverty have shown that the main fear of poor workers, and especially women is that they or a family member may fall ill and that the consequent loss of family income or the small business investments of the self-employed, combined with the expense of medical treatment (even where it is available), may tip them over into extreme poverty.

- 10. International labour migration is another dimension of increased international integration and the global job crisis. Persistent poverty and lack of employment opportunities in their communities of origin are pushing increasing numbers of women into migration. They now represent nearly half of all international migrants. Migration for employment can be positive, as increased earnings can enhance women's role in decision-making as well as reducing family poverty. However, female labour migrants tend to be restricted to jobs associated with their traditional roles as care-takers and domestic workers, and they are also vulnerable to gender-based violence. As legal channels for labour migration remain restricted for low-skilled migrants, women and girls continue to be at high risk of human trafficking and illicit migration schemes for the purposes of forced labour and sexual exploitation. <sup>15</sup>
- 11. It is clear that where women have a say in taking the decisions, women's interests are often better served. To date, however, women continue to be under-represented at all high decision-making levels. More women have reached middle management, but very few have reached the top. Although the number of women in national parliaments continues to increase and has reached more than 40 per cent in a few countries, no country in the world has yet reached gender parity. <sup>16</sup> In the United Nations itself, the percentage of women in senior positions in the Secretariat (D1 and above) is 26 per cent. <sup>17</sup> Only 18, or about 9 per cent, of the 191 Ambassadors to the United Nations in New York are women.

### Fair globalization means combating inequalities in the labour market

- 12. While globalization has created new opportunities for some, including women, it has exacerbated the plight of the poorest in the world, the majority of whom are women. The World Commission on the Social Dimension of Globalization has warned that the imbalances of globalization are both unacceptable and politically unsustainable. The Commission identified education and decent work as key instruments if the global economy is to meet the needs and aspirations of women and men.
- 13. In support of a fair globalization and as part of global efforts to achieve the Millennium Development Goals, the Heads of State at the United Nations 2005 World Summit also declared that the goals of full and productive employment and decent work for all should be at the heart of national and international economic and social policies and development strategies.<sup>19</sup>

- 14. This means that creating decent work is not just about creating jobs. It is about adopting policies that make employment central to economic and social policies. It is about making the global economy more inclusive by facilitating a more equitable system of growth—a globalization where no one is left behind. It is about extending social protection to all. And it is about calling for a new and fairer model of global cooperation and governance, promoting economic and social policies that have the goal of decent work for women and men at their core.
- 15. The link between gender inequality and poverty has been conclusively established. A more equitable global economy with reduced poverty is achievable only if gender equality is taken into consideration in all areas of employment policy development. By leaving women out of decision-making and by ignoring their needs and concerns in policy development, employment policies run the risk of perpetuating a disabling environment for women's advancement in the world of work.

# An enabling environment for gender equality in the world of work: The ILO's response

16. Setting decent work as a global goal makes the world recognize that poverty arises not simply from lack of income, but also from discrimination in employment, the absence of social protection, and disempowerment. Gender equality is therefore central to decent work, both as a basic human right and as an indispensable feature of sustainable and equitable development. Decent work requires that macro-economic policies understand gender-fair employment that enables ways of working out of poverty for both poor men and poor women, as central to poverty reduction. The ILO's Decent Work Agenda is thus a key instrument for the promotion of gender equality in the labour market.

### For the ILO, an enabling environment for gender equality in the world of work means:

- Providing women and men, girls and boys with equal access to education, training, and productive and decent employment performed in conditions of equity and dignity;
- Promoting fundamental rights at work, including gender rights;
- Providing adequate and equitable social protection;
- Opening up social dialogue and partnership between governments, the business and trade union communities, and women's organizations;
- Equitable representation and voice for all workers, including women and men in the informal economy;
- Advancing gender equality in development through both gender mainstreaming and gender-specific actions;
- Applying an integrated approach to gender equality;

 Political, programming and financial commitments to gender equality is essential for accountability

#### **Equality of opportunity in education, training and employment**

17. Reducing discrimination in employment, occupational segregation and gender wage gaps begins with equal access for all girls and boys, women and men to free basic education and to training, with an emphasis on technical education and training in non-traditional skills for girls. Equitable education is the bedrock of decent work. In employment itself, equality of opportunity and treatment includes innovative measures at the workplace to achieve gender equality, including, for example, affirmative action where appropriate, the elimination of occupational segregation, and work–family balance for both women and men. Given that women are over-represented among the world's working poor and in the informal economy, supporting equal access to better working conditions, training, and financing for women's entrepreneurship is essential to enhancing productivity, women's economic empowerment as well as their income and living standards. Promoting gender equality is also an important contributing factor in national productivity and growth. In short, equality of opportunity is good for business.

#### **Defending fundamental rights at work**

18. The ILO believes firmly that a rights-based approach is the only way for poor working women and men to obtain a chance at breaking out of poverty and benefiting from globalization. The ILO's Decent Work Agenda therefore combines promoting rights-based strategies for the economic empowerment of women and men with the ILO's fundamental conventions that both protect and promote their rights. The ILO promotes the ratification and application of more than 180 International Labour Standards, four of which—those addressing non-discrimination in employment and occupation, equal remuneration for work of equal value, equal sharing by women and men of family responsibilities, and maternity protection—have been identified as key conventions for the promotion of gender equality. In many countries, the re-examination of national employment policies and laws in conformity with these standards would open up valuable space for overcoming discrimination against women as regards employment opportunities and gender pay gaps, among other aspects. Similarly the introduction of affirmative measures such as quotas can be used as a means to enable women to seek and engage in full employment on an equal footing with men. <sup>20</sup>

#### **Extension of social protection to all**

19. Combating gender inequalities in the world of work also calls for equal access to safe and healthy working conditions in the workplace and to basic social protection services. Partly because of their continuing role as the main household care-givers and partly because of discrimination, poor women continue to work part-time or to be self-employed or employed in the informal economy—all work patterns that fall largely outside the reach of conventional social protection, which still benefits mostly male breadwinners in regular full-time employment.

20. An enabling environment for most poor working women would be created by extending national social security systems much more widely, especially as regards access to health care and maternity protection, but also pension and invalidity schemes. Social protection systems must be adapted and developed to meet the new needs thrown up not only by demographic change but also by globalized, flexible, and informal work, in which women workers predominate in conditions of precariousness and inadequate or non-existent protection. States need to give financial and technical support to existing, viable, alternative social security systems (covering, for instance, health micro-insurance and pension provisions) that are often set up by women's cooperatives, trade unions, or civil society groups.

# Opening space for dialogue and partnership, creating an enabling environment for representation and voice

- 21. The ILO firmly believes that action to strengthen the capacities of its tripartite constituents—governments, employers' organizations, and workers organizations—to promote positive change for gender equality effectively hinges on men's and women's equal participation in meaningful social dialogue and on improved gender balance in decision-makers in their respective structures. Social dialogue also means creating partnership, encouraging networking and collaboration with local, and national women's associations and women's machineries that actively promote women's empowerment and employment rights in the formal and informal economies.
- 22. Poor working women and men on the margins of the labour market have few channels through which to engage in social dialogue. They are still in a minority as members of most trade unions and employers' organizations world-wide. However, trade unions and employers' organizations increasingly see the need to make sustained efforts to increase women's representation at all levels, and especially in policy-making and leadership positions. The ILO advocates consistently and tirelessly for such efforts.
- 23. Organizing is an essential empowering tool enabling women workers to gain confidence, increase their representation and acquire a voice in local, national and international employment policy making. In particular, organizing is vital among informal-economy women workers, since it can help women to obtain credit for setting up their business, to access healthcare and other services, and ultimately to make the leap out of the informal economy.

## Advancing gender equality in development through both gender mainstreaming and gender-specific actions

24. In its development programmes and projects the ILO uses different mechanisms to promote gender equality and women workers' rights in its many employment-creating initiatives. It is also committed to increasing women's participation and representation in all development work and at all levels. Innovations are being made to provide incentives and strengthen project holders' capacity to "mainstream" gender equality in their projects and address the different needs and interests of women and men throughout the project cycle, for example by including a specific allocation for this purpose in their budgets. The

setting up of a knowledge management sharing system on gender equality and employment has enabled the consolidation and expansion of the ILO's knowledge base on the practice of gender mainstreaming in the different employment-related areas that the ILO's development aid programme tackles.

25. The ILO also recognizes that if historically entrenched discrimination against women in the world of work is to be confronted, specific action in favour of women is often required, and the ILO promotes, when necessary, the use of gender-specific policy action. Explicit gender equality measures are needed to accompany more gender-sensitive policies for employment generation, particularly in the context of human rights issues such as reproductive health rights.<sup>21</sup>

#### Applying an integrated approach to gender equality

26. Given the cross-sectoral nature of the Decent Work Agenda, its effective implementation requires integrated and coordinated policy and institutional interventions across different sectors, such as employment creation, social security, social dialogue, the enforcement of fundamental rights, finance, and so on. This is why the ILO has adopted an integrated approach to gender equality, aiming to enhance equal employment opportunities through measures that also aim to improve women's access to education, skills training and healthcare, while taking women's role in the care economy adequately into account, for instance through work–life balance measures and providing workplace-level incentives for the provision of childcare and parental leave.

## Political programming and financial commitment to gender equality to ensure accountability

27. The ILO recognizes that all policies and programmes, whether at a macro, sectoral or micro level, need to undergo gender analysis and to be planned gender-responsively, and that adequate financial resources and political support from the highest levels are essential in promoting gender equality and an enabling environment for women's enhanced participation in development. Accordingly, gender analysis and gender planning are used in the ILO to identify gender differences, biases and discrimination in the world of work and to develop and implement concrete measures, based on this analysis, for promoting equality of opportunity and treatment between women and men workers. At the same time, these actions help to build on the gender mainstreaming strategies of the ILO and its constituents and encourage them to be accountable by evaluating progress and identifying ongoing challenges. For this purpose, one of the ILO's five mainstreamed strategies refers to gender equality in the ILO Programme and Budget. This represents the ILO's most significant institutional step towards mainstreaming gender equality in all its programmes and activities, for it provides a mechanism for accountability on progress in gender mainstreaming. Two other important instruments for ensuring accountability on gender equality are the 2004 International Labour Conference resolution on gender equality, pay equity and maternity protection<sup>22</sup> and the March 2005 Decision by the ILO's Governing Body making gender mainstreaming obligatory in all ILO technical cooperation activities.

Chen et al. Progress of the World's Women 2005: Women, Work and Poverty. New York: UNIFEM, 2005

In India, for example, the Deputy Director of the Confederation of Indian Industries estimated that women held about 40 per cent of the new jobs created by the outsourcing of Information Technology Enabled Services (ITES), covering a wide range of jobs including back-office work, transcription, and support services in call centres. [Mitter, Swasti. Offshore Outsourcing of IT Enabled Services: Implications for Women. Development Gateway website]

In Latin America, for instance, women account for 40–60 per cent of labourers in commercial farm fields and the vast majority of workers in packing houses. [UNRISD. *Gender Equality: Striving for Justice in an Unequal World.* Geneva, 2005]

<sup>4</sup> Mainstreaming Gender Equality in the World of Work, A Policy Brief, ILO Bureau for Gender Equality, forthcoming

Department of Economic and Social Affairs. Statistics Division. Progress towards the Millennium Development Goals, 1990–2005.

The difference is particularly evident in sub-Saharan Africa, where 84 per cent of women's employment outside agriculture is informal, compared to 63 per cent of men's. In Latin America, the percentages are 58 and 48 for women and men respectively. [United Nations. *The Millennium Development Goals Report*, 2005.]

In Bolivia and Ecuador, for example, a recent survey revealed that 80–82 per cent of workers in low-income urban communities were informally employed and that men represented the majority of those with jobs in the formal economy. [UNRISD, op. cit.]

<sup>8</sup> ILO. Global Employment Trends for Women 2004, Geneva, March 2004.

<sup>9</sup> Ibid.

10 Ibid.

Employment data for Taiwan, Korea, Hong Kong and Singapore has shown that the decline in the share of female employment in this sector has ranged from three to five percentage points for 1991-2000. Similarly, research on Mexico's female labour force in export manufacturing has also shown that women's share of employment in *maquiladoras* has fallen from 63 to nearly 54 per cent between 1998 and 2004. [UNRISD, op. cit; Chen et al, op. cit.]

In Mexico, for example, the manufacturing sector has been increasingly moving away from the production of textiles towards a more male-dominated production of transport equipment and electronics. The high mobility of firms in search of lower labour costs also contributes to this trend [Ibid.]

Time for Equality at Work, A Global Report. Geneva: ILO, 2003

A recent ILO study in the context of the ILO/NPP aid programme has shown that in the Pacific Island countries, for instance, women taking 'time off' for reproductive responsibilities, including care of children, the sick and the elderly as well as maternity leave, receive either reduced or no remuneration, resulting in lower pension entitlements. Where benefits such as family allowances and childcare subsidies exist to cover unpaid care work, these are usually less generous than those based on paid employment, often because of limited national budgetary resource for the social sectors. [Social security in Fiji, Kiribati, Samoa, Solomon Islands and Vanuatu: Final gender report on social security programs. Suva, December 2005]

United States Department of State. Trafficking in Persons Report: June 2005. Washington, DC: US Department of State, 2005.

UNFPA 2005 – State of World Population 2005, *The Promise of Equality: Gender Equality, Reproductive Health & the MDGs.* 

Office of Human Resources Management, 31 December 2005.

World Commission on the Social Dimension of Globalization: A fair globalization: Creating opportunities for all. ILO, Geneva 2004. www.ilo.org

United Nations World Summit 2005 Outcome Document, paragraph 47.

In Morocco, for example, quotas have proven successful: 35 women have been elected since the electoral law was amended in 2001–02 reserving 30 seats for women. However, for such participation

to be meaningful, certain political conditions must be in place to equip women to assume leadership roles and play their full part in promoting positive change. Also, men must also be seen as partners on the road towards gender equality [United Nations Statistics Division: http://unstats.un.org/unsd/mi/goals\_2005/goal\_3.pdf ]

Rubery, Jill. Mainstreaming gender into the global employment agenda, UK, European Work and Employment Research Centre, Manchester Business School, University of Manchester, August 2005.
See

 $http://www.ilo.org/dyn/gender/genderevents.details?p\_lang=en\&p\_category=REC\&p\_event\_id=102\&p\_str=\&p\_count=0\&p\_selection=\&p\_min=1\&p\_incr=30$