



LABOR INCLUSION

Concept Note

Introduction

Building equal, inclusive and strong societies and economies, and ensuring that men and women have the same rights and opportunities in the labor market, is a fundamental imperative for gender equality and a growing and prosperous economy. Failing to tap the participation of all women in all their diversity not only implies a violation of their human rights but also reflects a waste of talent, skills and abilities that inevitably impacts on the national development and poses a demand for social justice. In a “full potential” scenario in which women play an identical role in labor markets to that of men, as much as \$28 trillion, or 26%, could be added to global annual GDP by 2025 (McKinsey, 2015).

Over the past decades, women have increasingly participated in the labor market, resulting in a significant reduction in poverty and inequality. However, progress has slowed down in recent years and it has not yet reached all women. Many women face multiple-discrimination on the grounds of sex, racial or ethnic origin, religion or belief, disability, age, sexual orientation, gender identity, among others. Indigenous and rural women, migrant workers, refugees and others with precarious status are especially vulnerable to these pressures in the labor market. Especially in times of crisis, working conditions deteriorate faster for them while xenophobia and racism can increase. Multiple-discrimination is a key factor that should be taken into consideration when examining the challenges women face and proposing solutions to achieve equality at work.

While the gender gap in labor force participation rates has been narrowing, women still lag behind men by 27% (ILO, 2016). Even today, 55% of women worldwide have no income of their own. Although the picture is far better in some of the G20 countries, none has succeeded in closing the gender gap in women’s labor force participation (WEF, 2017). In G20 countries, this gap has decreased by only 0.6% between 2012 and 2015 (Women in G20 countries, 2016) despite the fact that they made a commitment to reduce the gap in women’s labor force participation by 25% by 2025 (Brisbane Agreement, 2014). Four years after taking that commitment, advances by G20 states in that direction need to be accelerated.

A brief diagnosis of women and the world of work

Precarious and informal work and the burden of unpaid care

Many women entering the labor market undertake precarious work, in less dynamic sectors than in those areas where men are the dominant employees, and receive lower remuneration. Women are more often employed in the informal sector, with no access to social security and employment protection regulations. Also, employment with insecure contracts such as zero hours contracts¹ has grown. Zero-hours contracts allow employers to hire staff without guarantee of continuity and stability, with a short notice, restricted working rights like no sick leave and with pay strictly related to hours worked. Overall, these contracts mean a cutback on financial and social security protection of employment. It is in

1. “Zero-Hours Work in the United Kingdom”, ILO. 2017. http://www.ilo.org/wcmsp5/groups/public/---ed_protect/---protrav/---travail/documents/publication/wcms_624965.pdf

the interest of governments to protect workers against the impact of precarious and informal work to ensure decent work in conditions of freedom, equity, security and human dignity.

In most countries, the lack of care services places a heavy burden on women, affecting their participation in the labor market. This means that when families face more care responsibilities (mainly during reproductive years and when care for the elderly is required) women are often the first to take on these tasks at the expense of participating in paid work. Recent ILO statistics show the employment rate for women is 26% lower than the rate for men and that women account for 57% of part-time employees at the global level (ILO, 2016). Steps need to be taken to recognize and reduce the informal labor market by implementing the ILO work standards and fostering decent working conditions regardless of gender.

Globally, public policy fails to recognize that women and girls of all ages spend more time on unpaid care work than men and boys, and that these unremunerated contributions underpin the entire economy. Women do over 75% of all unpaid care work globally, with that proportion rising even higher in certain countries², resulting in what UN Women has called the “time burden tax”. There is also a global impact as global care chains affect migration trends at a regional level. The increasing number of women from the Global South finding employment in other countries as domestic workers, leaving behind a deficit in the provision of care for their own families and communities³.

Women and girls are restricted in the time they can dedicate to education, training, recreation and paid work due to the overlapping with their other responsibilities. Moreover, low paid poor quality work, interrupted work patterns and disadvantaged access to the labor market affect women’s access to retirement benefits in later life.

Occupational and sectoral segregation

Horizontal segregation (sectoral or occupational) greatly contributes to gender inequality in terms of the quantity and quality of employment. Women are overrepresented in a small number of sectors and occupations that tend to exhibit less dynamism and lower remuneration such as health, education, service industries (such as wholesale and retail trade, cleaning and catering) and domestic work⁴.

In upper middle-income countries, 34% of women are employed in wholesale and retail trade services, and 13% in the manufacturing sector. In high-income countries, the main source of employment for women is the health and education sector, which employs almost one third of all women in the labor market (31%)⁵.

Globally, the services sector has overtaken agriculture as the sector that employs the highest number of people. In 2015, half of the global population worked in the services sector. The gender composition is 42% men and 61% women⁶. The working conditions in the services sector have a disparate impact on women.

2. Gender and Development Network, 2017 Sharing the Load Brief. <https://static1.squarespace.com/static/536c4ee8e4b0b60bc6ca7c74/t/5899e0316b8f5bbffd74b7d4/1486479412285/GADN+Sharing+the+load+briefing+2017+final.pdf>

3. Gender and Development Network, 2017 Sharing the Load Brief. <https://static1.squarespace.com/static/536c4ee8e4b0b60bc6ca7c74/t/5899e0316b8f5bbffd74b7d4/1486479412285/GADN+Sharing+the+load+briefing+2017+final.pdf>

4. Women at Work Trends, ILO, 2016

http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_457317.pdf

5. Women at Work Trends, ILO, 2016

http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_457317.pdf

6. Women at Work Trends, ILO, 2016

http://www.ilo.org/wcmsp5/groups/public/---dgreports/---dcomm/---publ/documents/publication/wcms_457317.pdf

Agriculture continues to be the main source of employment for women in low-income and lower middle-income countries. However, women still face barriers to market access for their agricultural products, credit restrictions to invest in their land and legal limitations on land ownership. Ensuring all women have access to financial and product assets, as well as to markets on equal terms, is an essential action to achieve financial inclusion.

Low paid domestic workers represent another disadvantaged group. Their work takes place in a private space and often without a contract which makes them especially vulnerable. Employment rights are not usually considered in normative legal frameworks, and if they do exist, they are generally not respected and implemented. For this occupational group like any other category of workers, it is essential they are afforded full employment rights and that legislation is modified to guarantee the protection of those rights.

Gender pay gap

Decent work involves a competitive salary, respect for worker's personal time and social protection. For women, a decent job also means enjoying equal treatment with their male colleagues, especially in terms of salary and economic income. In some cases, the pay gap is due to discrimination. In other cases, it's a symptom of other issues, such as glass ceilings and occupational segregation. It is essential to address the issue of the gender pay gap which favors men in terms of the economic value of their work for the same task and hours worked. The gap varies depending on the level of education, age, number of children, ethnic origin and the industry where it is measured. For example, rural and indigenous women face multidimensional discrimination which only increases the gap between women and men in the labor market.

Education gaps and the challenges of future employment

Education, formal and informal has a vital role to play in ensuring that women of all ages are empowered in the changing world of work. In some countries, women and girls do not have access to the same education and training opportunities afforded to men and boys, which negatively impacts their development and full participation in the labor market. In other cases, although women and girls achieve educational goals, gender stereotypes pave the way for mostly care related career choices and difficulties to rise to positions of leadership in other sectors. As the world of digital technology grows, women and girls will inevitably be inhibited from opting to access and choose non-traditional areas of education and work, such as STEM (Science, Technology, Engineering, and Mathematics). According to the Global Gender Gap Report of 2017, fair returns to skills and the availability of deeper talent pools are disrupted by gender biases - and the fields most affected, such as the care economy and the emerging technology sector, are losing out on the benefits of diversity⁷. Women's participation in the Information Society is constrained mainly by two factors: (1) too many women - mostly, from developing countries and lower socioeconomic status - face barriers to access and use digital technologies; and, underpinning this, (2) too few women - mainly, from privileged backgrounds - are involved in the design, development, production and governance of digital technologies⁸.

7. WEF. The Gender Gap Report (2017) http://www3.weforum.org/docs/WEF_GGGR_2017.pdf

8. W20 Argentina Roundtable Digital Inclusion.

Women are five times more likely to be affected by technological advancement, in comparison to their male counterparts⁹. Therefore, unless the automation and digitization of the labor market is adequately addressed and harnessed through gender-sensitive strategies and policies, women will be left out of the marketplace and gaps will widen. In the interest of gender equality and worldwide economic development, women and girls must be equipped with skills to pursue careers in multiple areas and become entrepreneurs in their own right.

Violence and sexual harassment at work

All types of violence against women and girls and harassment in the workplace are human rights violations, unacceptable and incompatible with decent work. According to ILO, this "is a problem of human rights and affects labor relations, the commitment of workers, health, productivity, the quality of public and private services (...); it affects participation in the labor market and, in particular, can prevent women from entering the labor market, especially in sectors and jobs dominated by men"¹⁰. Therefore, the structural conditions that permit violence and sexual harassment in the workplace must also be addressed.

All forms of violence are significant impediments to the achievement of women's economic empowerment, inclusion and development. Violence and harassment include physical, psychological, sexual and economic violence. Legal provision protecting women in the labor market from violence and sexual harassment must be improved and implemented where it exists and created and implemented where it does not. G20 countries have given their support to the ILO guideline on sexual harassment and violence against men and women. Employers and unions have a responsibility to protect women in the workplace. Recently we are all aware of the public conversation around sexual harassment – the #MeToo and the #TimesUp movements have speedily raised the momentum for change which cannot be undone.

Domestic and work-related violence hinder the complete and equitable integration of women in the labor market, reinforcing their economic dependence and reducing their autonomy. Economic autonomy is also closely related to physical autonomy: full access to sexual and reproductive rights is a prerequisite to enable girls' and women's full participation in education, employment and in socio-economic life. Amnesty International has stated that, "Women and girls will never be able to fully realize gender equality in access to and use of technology, including at work, if they do not enjoy the right to experience and express their sexuality, access adequate sexual and reproductive healthcare, choose whether or when to have children and how many children to bear, and decide whether, when and whom to marry, free from the threat of prosecution, discrimination, coercion or violence."

The need for gender-responsive social protection

In some developing regions 75% or more of women's employment is informal. These jobs are not covered by labor laws and lack social protection¹¹. Protection services increase

9. Amnesty International. Recommendations to the G20 in 2018 on the impact of technology on women in the workforce, 2018.

10. Ending violence and harassment against women and men in the world of work, ILO, 2018. http://www.ilo.org/wcmsp5/groups/public/---ed_norm/---relconf/documents/meetingdocument/wcms_553577.pdf

11. UN Women Global Fact Sheet, 2016. <http://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2015/poww-2015-factsheet-global-en.pdf?la=en&vs=1345>

women's economic participation, positively affect their human, social and economic development and deflect loss of income and decreased productivity for their economy and families. It is essential that all women have access to social protection. It is also crucial for retirement systems to be gender-responsive and guarantee income security for older women. Unless care is redistributed fairly, the aging population worldwide will continue to affect women's economic empowerment and opportunities, and restrain overall GDP growth due to an untapped pool of talent¹².

As UN Women highlights in its Policy Briefs Series related to the economic empowerment of women, "Well-designed social protection systems can narrow gender gaps in poverty rates, enhance women's income security and access to personal income, and provide a lifeline for poor women, especially single mothers"¹³.

Discriminatory laws, regulations and practices

In both developed and developing countries, women continue to be discriminated against on the grounds of pregnancy or because they have care responsibilities (small children, elderly or family members with disabilities), unlike men, for whom having a family may even represent an additional and determining factor for their hiring and professional development. Workplaces still do not have family friendly working environments for working mothers to be able to join, stay and develop in their jobs: they lack effective co-responsibility policies, measures that allow them to continue breastfeeding and access services and benefits that provide care. In addition to co-responsibility policies, affordable childcare is critical to women's economic empowerment and closing the gender pay gap.

On a more general point, gender biased laws and regulations can restrain women's economic participation and empowerment, affecting employment and women's entrepreneurship. Globally, over 2.7 billion women are legally restricted from having the same choice of jobs as men¹⁴. Women migrant workers and others with precarious status are especially vulnerable to multiple discrimination, in particular in times of economic crisis, since working conditions deteriorate faster for them while xenophobia and racism increase.

Therefore states need to enforce laws, policies, regulations and standards that grant women ownership and control over assets without the consent of others, and abolish barriers and biases inhibiting property rights and equal rights of participation¹⁵.

12. "Investing in the Care Economy: A gender analysis of employment stimulus in seven OECD countries" (March 2016) and "Investing in the Care Economy: Simulating employment effects by gender in countries in emerging economies" (January 2017). <https://www.ituc-csi.org/investing-in-the-care-economy?lang=en>

13. "Making social protection gender-responsive", UN Women, 2017. <http://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2017/making-social-protection-gender-responsive-en.pdf?la=en&vs=2406>

14. 2018 Women, Business and the Law Report. <http://pubdocs.worldbank.org/en/102741522965756861/WBL-Key-Findings-Web-FINAL.pdf>

15. A key recommendation included in the W20 Germany Implementation Plan.

Women and leadership

One of the many challenges women face in the workplace is the obstacles preventing them from reaching leadership positions. According to an ILO report, only 19% of board seats are occupied by women and less than 5% of the CEOs of the world's largest corporations are women¹⁶. G20 countries show lower rates of women in C suite and board positions than the global average¹⁷. Only two out of all G20 countries have parity in the government cabinet (France and Canada). In the rest, women's representation is significantly lower and in two countries women have no representation whatsoever at that level.

If women are to achieve their full potential and fully participate in leadership roles in business and government, steps must be taken to build sustainable career pipelines. The fact that fewer women are working in high growth industries such as IT, biotechnology and infrastructure leads to smaller pipelines. Even in high growth sectors which typically employ a large number of women, leadership positions are still dominated by men. It is also crucial they are represented in workers' unions to have voice and the possibility to play a leading role in demands for better working conditions and full access to their employment rights through the collective bargaining machinery.

To break the so-called "glass ceiling", conditions must be created for women to access work on an equal basis to men, being afforded the same opportunities and conditions.

Gender-responsive Budgeting and Gender sensitive macroeconomic policies

Macroeconomic policies can also shape women's employment and economic autonomy. Fiscal, budgetary and monetary policies are not gender neutral and should be analyzed in terms of their impact on women's rights and equality. It is essential to consider and apply gender sensitive budgets. Gender budgeting, involving looking at the budgetary process through a gender specific lens, is an essential requirement for gender equality. Promoting gender equality and creating public policies with a gender perspective in all areas will improve the effectiveness, efficiency, accountability and transparency of government policy and employment practices in the world of work. In this way, progress can be stepped up to close the gender equality gap and for women's rights to be realized. According to UN Women (2015), "Budget cuts that reduce social spending may increase the demands on women's unpaid household labor, while trade liberalisation may negatively affect women's employment in contexts where they are overrepresented in import-competing sectors, such as agricultural food crops"¹⁸.

16. ILO. Women on Boards (2015)

http://www.ilo.org/wcmsp5/groups/public/---dgreports/---gender/documents/briefingnote/wcms_410200.pdf

17. Dutkiewicz, M., & Ellis, A. (2018). Putting Women's Economic Empowerment in the Asia Pacific at the Core of the G20 (Innovation and Economic Growth Series). East-West Center.

18. Why macroeconomic policy matters for gender equality, UN Women, 2015.

<http://www.unwomen.org/en/digital-library/publications/2015/12/macro-economic-policy-matters-for-gender-equality>

Conclusion

Many barriers to women's economic empowerment are still present in society today. Failure to achieve economic empowerment of all women will mean failure to achieve the five SDGs of the 2030 agenda - specially, the gender equality goal. Steps to women's economic empowerment must take account of women's experience throughout the life cycle and recognize that inequalities and barriers based on gender intersect with other characteristics such as age, disability, marital status, race and sexual orientation, as well as social economic factors including migration and refugee status. A targeted approach to using the Women's Empowerment Principles coupled with more women in leadership roles and robust national action plans will help to build the environment and framework for gender equality to thrive in the world of work.