



EVIDENCE AND GUIDANCE ON WOMEN'S WAGE EMPLOYMENT

In both developing and developed countries, significant gender gaps remain in labor markets, where women have lower rates of paid employment than men, frequently earn less income for similar work, and cluster in more precarious, lower value-added sectors and part-time employment. Research shows that addressing these gaps can yield significant growth and welfare gains, including accelerated and more inclusive growth, increased efficiency and productivity, lower incidence of poverty, more equal income distribution, and a healthier tax base for government revenues.

Most interventions designed to increase labor force participation, improve employment prospects, and shift workers from informal to formal work are concentrated on the supply side, meaning they focus on improving skills through education, training, and workforce development. Women may have a particular set of needs in terms of workforce development: women tend to have lower levels of education than men (although gender gaps are closing in this respect), they often have fewer marketable job skills, and their skills development is likely to have been focused on a narrower range of occupations.

As labor markets often fail to generate optimal outcomes for workers, particularly when there is insufficient information, labor market intermediation interventions such as job-matching services and clearinghouses can serve to improve labor market coordination and better match demand and supply.

Demand-side interventions stimulate demand for employment and provide incentives for hiring and retention of workers. Some of these programs provide emergency employment or cash-for-work during the lean season in rural areas or in response to a disaster. Providing credit to particular sectors (e.g., the garment sector in Pakistan, which disproportionately employs women) can increase both output and employment. Regulatory reforms that increase women's access to jobs, reduce discrimination, or remove barriers that prevent women from holding certain types of occupations can also be used proactively to increase women's employment in certain sectors and occupations. Increasing investment in care infrastructure and services can stimulate employment both directly and indirectly and enable more women to enter the workforce.

Investing in stronger and more effective labor market institutions and social protection can increase access to jobs and the quality of employment. Where women are disproportionately responsible for unpaid care work (e.g., cooking, taking care of children), social protection—in the form of healthcare, pensions, income support for the poor, and unemployment assistance—has the potential to both increase the demand for women's labor and to mitigate the costs of informal and precarious work for women and their families. Providing subsidized, affordable, and quality childcare has been proven to increase women's labor supply and labor market attachment. Flexible workplace practices can contribute to increasing the quality of part-time work, particularly for women (who are more frequently found in part-time jobs), and they can foster greater gender equality by allowing men to adjust their working hours to accommodate their responsibility and right to care for children and families. Raising minimum wages may provide another effective way to promote greater gender equality in labor markets and to stimulate women's labor supply. Finally, organization and collective bargaining also have tremendous potential to yield improvements in the terms and conditions of employment for women.