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EVIDENCE AND GUIDANCE ON WOMEN’S WAGE EMPLOYMENT

FEBRUARY 2017

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# Acronyms

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<th>Acronym</th>
<th>Full Form</th>
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<tbody>
<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
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<td>ADWN</td>
<td>Asian Domestic Workers Network</td>
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<td>AGEI</td>
<td>Adolescent Girls Employment Initiative</td>
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<td>AGI</td>
<td>Adolescent Girl's Initiative</td>
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<td>BPO</td>
<td>Business process outsourcing</td>
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<td>CCT</td>
<td>Conditional cash transfer</td>
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<td>CEDAW</td>
<td>Convention on the Elimination of All Forms of Discrimination against Women</td>
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<tr>
<td>CONLATRAHO</td>
<td>Latin American Confederation of Household Workers</td>
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<td>CSG</td>
<td>Child Support Grant</td>
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<td>CV</td>
<td>Curriculum vitae</td>
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<td>EF</td>
<td>Employment Fund</td>
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<td>EPAG</td>
<td>Empowerment of Adolescent Girls Project</td>
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<td>FENETRAD</td>
<td>National Federation of Domestic Workers</td>
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<tr>
<td>GDP</td>
<td>Gross domestic product</td>
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<tr>
<td>IDO</td>
<td>İstanbul Deniz Otobüsleri Sanayi ve Ticaret (İstanbul Sea Bus Industry and Trade)</td>
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<td>IDWF</td>
<td>International Domestic Workers Federation</td>
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<td>IDWN</td>
<td>International Domestic Workers Network</td>
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<td>IFAD</td>
<td>International Fund for Agricultural Development</td>
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<td>ILO</td>
<td>International Labour Organization</td>
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<td>IMF</td>
<td>International Monetary Fund</td>
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<td>ITUC</td>
<td>International Trade Union Confederation</td>
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<td>IUF</td>
<td>International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers' Associations</td>
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<tr>
<td>KaSAPI</td>
<td>Kalusagang Sigurado at Abot-Kaya sa PhilHealth Insurance program</td>
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<tr>
<td>KILM</td>
<td>Key Indicators of the Labour Market</td>
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<tr>
<td>LAC</td>
<td>Latin America and the Caribbean</td>
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<td>MENA</td>
<td>Middle East and North Africa</td>
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<td>MNREGA</td>
<td>Mahatma Gandhi National Rural Employment Guarantee program</td>
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<tr>
<td>NGO</td>
<td>Non-governmental organization</td>
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<td>OECD</td>
<td>Organisation for Economic Co-operation and Development</td>
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<td>PREIA</td>
<td>Pakistan Regional Economic Integration Activity</td>
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<td>SIDA</td>
<td>Swedish International Development and Cooperation Agency</td>
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<tr>
<td>SIGI</td>
<td>Social Institutions and Gender Index</td>
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<tr>
<td>SME</td>
<td>Small and medium enterprise</td>
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<tr>
<td>STEM</td>
<td>Science, technology, engineering, and mathematics</td>
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<tr>
<td>TVET</td>
<td>Technical vocational education and training</td>
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<tr>
<td>USAID</td>
<td>U.S. Agency for International Development</td>
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<td>WE3</td>
<td>Women’s economic empowerment and equality</td>
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<td>WIEGO</td>
<td>Women in Informal Employment Globalizing and Organizing</td>
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<td>ZAR</td>
<td>South African Rand</td>
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Executive Summary

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.
1. Introduction

Despite progress, significant gender gaps remain in labor markets in both developing and developed countries, where fewer women work in paid employment compared to men, frequently earn less income for similar work, and cluster in more precarious, lower value-added sectors and part-time employment. There is growing consensus, supported by a robust evidence base, that significant growth and welfare gains can be achieved if these gaps are addressed and women are able to fulfill their full labor market potential.

Several studies reveal that just raising women’s labor force participation to levels closer to those of men can yield significant macroeconomic dividends. Specifically, increases in the proportion of women in formal employment, as well as in the overall labor force, have been associated with increases in GDP growth rates (Klasen, 2002; Klasen and Lamanna, 2009; Esteve-Volart, 2004; Kabeer and Natali, 2013). Aguirre et al. (2012) estimate that the potential increase in GDP from equal participation in labor markets range between five percent and 34 percent, with larger potential gains in countries with higher prevailing inequality in participation.

Evidence also suggests that eliminating gender-based occupational segregation and gender wage gaps can produce additional economic gains through increased efficiency and productivity gains in labor markets. In one study, where the global average income loss due to gender inequality in labor markets was found to be 13.5 percent, the average income loss attributable to occupational gender gaps was estimated to be five percent, ranging from seven percent in the Middle East and North Africa (MENA) region to three percent in Sub-Saharan Africa (Teignier and Cuberes, 2014). Similarly, a cross-country study of 11 Latin American countries found that re-allocation within the labor force to eliminate occupational segregation would increase women’s wages by 50 percent and raise national output by between three and nine percent (Tzannatos, 1991). Comparable findings emerged from another study from Latin America and the Caribbean (LAC), in which eliminating barriers to women’s labor force participation and equalizing their access to different occupations had a positive impact on incomes and were associated with lower incidence of poverty (Costa et al., 2009).

Gender equality in labor markets, both in terms of participation and earnings, can contribute to more equal income distribution, which in turn is associated with faster growth and longer growth spells (Ostry, Berg, and Tsangarides, 2014). Higher female labor force participation can also boost growth by mitigating the impact of an aging and shrinking workforce (IMF, 2015) and can help sustain or grow the tax base for government revenue.

There is a wealth of evidence that suggests that gender equality in labor markets can be the single most important poverty-reducing factor in developing economies (Heintz, 2006; Kabeer et al., 2013). Closing the gender gap in labor force participation and eliminating gender-based labor market segmentation can directly contribute to poverty reduction and decrease the poverty risk faced by working women (Chen et al., 2005). Furthermore, resources in the hands of women tend to produce more pronounced positive outcomes for their households, for instance in the form of higher investment in children’s health and education (Kabeer, 2009). Such findings suggest that ensuring women’s equitable engagement in labor markets and access to economic resources can improve distributional dynamics within households and promote further inclusive growth (Kabeer, 2013). Addressing gender-based barriers to labor force participation and labor market segmentation, which can benefit individual women, their households, and their countries’ economies, can also advance the goals set out by the U.S. Agency for International Development (USAID) in the framework the agency is in the process of developing for women’s economic empowerment and equality (WE3). In particular, women’s equal participation in the formal
labor force increases their access to resources, improves their ability to interact meaningfully in the economy, and may increase their agency and voice (FHI360, 2016).

This report provides guidance on women’s employment and explores a number of investments that can be made to increase gender equity in labor markets and improve the terms and conditions of women’s employment.
2. Key Employment Trends

This section provides a brief empirical and graphical overview of key employment trends for women in six regions: East Asia and the Pacific, Europe and Central Asia, Latin America and the Caribbean, the Middle East and North Africa (MENA), South Asia, and Sub-Saharan Africa. The overview will highlight three stylized facts of women’s wage employment: (1) gender gaps in labor force participation; (2) labor market segmentation by sector as well as in informal employment; and (3) prevailing gender wage gaps.

There are significant gaps in women’s labor force participation worldwide, although these gaps appear to be narrowing over time, with the exception of South Asia, Europe and Central Asia, and East Asia and the Pacific. Figure 1 shows women’s labor force participation in 2015 and compares the gender gaps in participation between 2000 and 2015 using the International Labour Organization (ILO)’s Key Indicators of the Labour Market (KILM) data. Gender gaps in men and women’s participation rates are highest in the MENA region, where they have fallen from an average of 55 to 52 percent. These gaps are also high in South Asia, where they appear to have risen from 48 to 50 percent. This runs counter to the overall worldwide trend of declines in gender gaps in labor force participation. Gender gaps in participation rates are lowest in Sub-Saharan Africa, where women’s labor force participation rates are among the highest.

Figure 1: Percentage Point Gender Gaps in Labor Force Participation in 2000 and 2015

Source: KILM database
Note: Weighted averages based on data from 135 countries.

The literature confirms that, in general, women’s labor force participation falls and then rises with GDP (Goldin, 1994; Gaddis and Klasen, 2014). This is particularly true of married women, whose labor force
participation rate first declines and then rises as countries develop. This U-shaped curve remains constant across the process of economic development and the histories of more developed countries. The initial decline in women’s labor force participation rate is due to the change in the productive structure of economies, as production shifts from the household, family farm, and small business to the wider market. For this reason, it is not surprising that we see high rates of female labor force participation in more rural and agrarian economies, where the imperative to work for survival remains high. As economies develop and the share of industrial production grows, social norms and expectations about women’s roles outside the household and in the market contribute to lowering their participation rates (Seguino, UN Women, 2015; Beneria, Floro, and Berik, 2015). Subsequently, as education levels rise, fertility rates fall, and social proscriptions against women’s work weaken, women are able to take advantage of employment in the emerging service sector.

Education plays a key role in explaining women’s labor force participation rates (Verick, 2014). The education levels of girls and young women have risen dramatically in many developing countries in recent decades. This reflects, in part, commitments to the millennium development goals (MDGs) and concerted public sector investments in closing gender gaps in education. While more educated women are more likely to participate in labor markets globally, there is a similar U-shaped curve to their participation when we look at different levels of GDP per capita. The least educated women in poorer countries are the most likely to participate in subsistence activities and to be engaged in informal employment. By comparison, women with a high school education may be able to afford to stay out of the labor force. These more educated women may come from higher-income households that are able to keep women at home and concentrate their livelihoods strategies on male breadwinners. Once women have more than a secondary school education, however, the opportunity cost of staying at home rises, and higher wages encourage women to join the labor force. This type of relationship can be seen in cross-sectional data globally as well as nationally.

The case of India is emblematic of this U-shaped curve. Women’s labor force participation rates have fallen in the last decade (Klasen and Pieters, 2013). As the productive structure of the Indian economy has shifted from agriculture to industry and services, women’s overall participation rates have fallen. Yet looking across education levels at any one moment in time, it is still readily apparent that as education levels rise beyond a certain threshold, women are more likely to enter and remain in the labor force. National sample survey data for India for 2011–2012 reveal the lowest participation rates for women are for those with a secondary school education (12 years of schooling): 11.9 percent in urban areas and 19.3 percent in rural areas. Participation rates are higher among better-educated women: 27.4 percent in urban areas and 32.7 percent in rural areas for women with an undergraduate degree (Verick, 2014). This would seem to imply that a number of forces are brought to bear on the decision to work, including the opportunity cost of staying at home¹ and social norms and expectations about whether working is appropriate for women (Klasen and Pieters, 2013).

Figure 2 shows regional labor market segmentation by gender. The figure shows that women are less likely to work in the manufacturing sector than men throughout the world, and they are more likely to be working in the service sector in most regions of the world, with the exception of South Asia. The gender distribution in the agriculture sector is mixed; women are more likely to work in agriculture

¹ The opportunity cost of staying at home would also include the cost of providing care to meet household care needs in the case that this has to be provided for.
than men in the MENA region and South Asia, equally likely in East Asia and the Pacific and Sub-Saharan Africa, and less likely in other regions.

**Figure 2: Labor Market Segmentation by Sector**

![Labor Market Segmentation by Sector](image)

*Source: KILM Database*

*Note: Weighted averages based on latest available data from 109 countries.*

Figure 3 looks at the current rates of informal employment among men and women around the world. On average, more than half of the world’s population is employed in the informal sector (50-53 percent), and men are slightly more likely to be employed in the informal sector than women. The converse is true for Europe and Central Asia, where the proportion of the labor force in informal work is low compared to other regions. In the remaining regions, over half of employment is informal, with the highest informal employment rate in South Asia (72-76 percent). A greater proportion of the female labor force is found in informal work in South Asia, East Asia and the Pacific, Latin America and the Caribbean, and Sub-Saharan Africa.
Figure 3: Informal Sector Employment by Gender

Source: KILM Dataset
Note: Averages based on latest available data from 48 countries.

Figure 4 looks at men and women’s employment with and without pensions. In most countries where data were collected, less than half the population has a pension plan, with women consistently lagging behind men. Pension enrollment is lowest in Sub-Saharan Africa, where it is 14 percent among women and 18 percent among men.

Figure 4: Employment without Pension

Source: ILOSTAT dataset
Figure 5 shows that in four of the six regions analyzed, women are more likely to be employed in vulnerable work than men.\(^2\) On average, rates of vulnerable work are lowest in the Europe and Central Asia region, and women are slightly less likely to be in vulnerable jobs than men. On the other hand, the share of vulnerable work in total employment is very high in South Asia and Sub-Saharan Africa. Women in these regions are also more likely to be in such employment than men; about 81 percent of total female employment is concentrated in vulnerable employment in both of these regions.

Figure 5: Gender Distribution of Vulnerable Work as a Share of Total Employment

Source: KILM Dataset
Note: Weighted average based on latest data from 115 countries.

Although gender wage gaps appear to have fallen in three out of the five regions we consider, gender wage gaps prevail (Figure 6). There are gender gaps in wages at varying levels throughout the world; the lowest rates are a little less than 10 percent in East Asia and the Pacific, while the most pronounced gaps are in South Asia (at around 30 percent) and Sub-Saharan Africa (20 percent).

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\(^2\) Vulnerable work refers to people working in own-account production as well as those contributing to family members’ own-account work without remuneration.
Figure 6: Gender Gap in Wages

![Gender Gap in Wages](chart.png)

Source: ILOSTAT database

Note: Averages based on gender wage gaps in local currency in earned income per month. “Earlier” refers to average of 25 countries based on data from 2009-2010, and “later” refers to average of 37 countries based on data from 2011-2015. Data are insufficient for the Middle East and North Africa.
3. Labor Market Segmentation

This section addresses women’s segmentation into lower-productivity, lower-paid employment and explores gender wage gaps globally. We also consider how social norms, discrimination, legal barriers to mobility, and gender-based violence limit women’s ability to participate in labor markets on equal terms with men. We emphasize that where labor markets are sex-segmented and women cluster in informal employment, gender pay gaps prevail, women experience more limited job security, and their access to social protection is weakened, thereby raising their vulnerability to cyclical fluctuations.

It is clear from the overview of key trends in women’s labor market participation in Section 2 that labor markets are highly sex-segmented and that women tend to cluster in fewer occupations and in lower-paid and more vulnerable employment. In part, this reflects social norms and expectations about what is appropriate for women to do as workers. It also reflects how girls are channeled into certain careers and that even when they are being educated and acquiring professional qualifications in science, technology, engineering, and mathematics (STEM) and other emerging sectors, they have been unable to break into more traditionally male sectors and occupations (Mishkin et al., 2016; Tan et al., 2013; Wang et al., 2013; OECD, 2011).

Women may also face greater information asymmetry and more limited social networks for their job searches than men. Precisely because of women’s lower labor force participation rates, women may know far less about potential employment opportunities. A number of studies underscore that women’s job- and business-related networks include higher proportions of kin, families, and female neighbors. Men’s networks consist of fewer kin and neighbors, include a wider group of professional acquaintances, and draw on their relationships through a diversity of formal associations (Loscocco et al., 2009; Rankin, 2001; Renzulli et al., 2000; Robinson and Stubberud, 2011). It is not surprising, therefore, that Lin (2000) and Molyneux (2002) maintain that women are less able to use their networks for job searches, business start-ups, and job promotions, since these networks consist of primarily of kin rather than business associates. For this reason, labor market intermediation services can be particularly important for women job seekers (more on this in Section 5).

We also see from Section 2 that while gender wage gaps prevail worldwide, they are likely to be smaller in contexts with less unequal labor market participation rates, lower levels of labor market segmentation by sex, and less marked sorting of women and men into different sectors, occupations, and job statuses (ILO, 2016b).

The gender wage gap reflects many aspects of what commands value in the labor market. In general, however, when we observe differing returns to similar types of work, we try and attribute this to “explained” and “unexplained” factors. In the ILO’s 2014/2015 Global Wage Report (ILO, 2015a), the explained and unexplained gender wage gap was assessed for a set of mainly developed countries. The ILO found that the “explained” component could be attributed to observable labor market characteristics, such as experience, level of education, and sector of employment. Although a significant portion of the wage gap was attributable to the observable factors, a non-trivial portion of the gap remained unexplained. The ILO attributed the unexplained part to discrimination as well as other
unobserved factors that are not easily captured in the data and that are typically collected in labor market surveys.\(^3\)

Discrimination describes a bundle of attitudes towards women workers that employers may hold that are not necessarily true or validated. Discrimination is likely to reflect social expectations and stereotypes about women and what jobs are appropriate for them to perform, as well as concerns about how actual or potential motherhood may affect a woman worker’s commitment to her work or work effort. In countries and contexts where there are strong expectations that men should be the primary breadwinners, employers may believe that women are not really entitled to work, or that they are taking jobs away from men. Employers may also be concerned that women workers will not be able to commit the same level of effort to paid work because of their caring responsibilities. Consequently, hiring women on more contingent and part-time contracts and paying women less may be seen as socially “justifiable,” given the expectation that women workers will not be able to invest the same amount of time or effort in their work or that they may be more likely to leave work when they have children (Lips, 2013a, 2013b; Rubery and Grimshaw, 2015). This type of discrimination is only exacerbated in contexts where caring work is born primarily by women and there are few public or private alternatives for care needs.

Pregnancy-related discrimination is still widely reported (Barnes and Kozar, 2008; ABC News, 2013; IFF, 2015). Women may be fired for becoming pregnant or may even have to submit to pregnancy tests before being hired (Human Rights Watch, 2015). In most cases, this is against the law, but it may be difficult for women to take employers to court or obtain legal redress.

Other types of discrimination can manifest in legal restrictions that limit women´s entry into specific sectors and prevent them from taking up paid employment (Jutting, Luci, and Morrisson, 2010; Miles, 2002). For example, Russia’s constitution guarantees men and women equal rights to employment, but the country’s labor code states women should not perform hard, physical labor or jobs that entail harmful or dangerous conditions (PRI, 2009). The labor code lists 460 jobs that women should not perform, which include positions such as chimney sweepers, fire fighters, blacksmiths, steel workers, and metro train operators. Although couched in protective terms, this type of legislation effectively ensures institutionalized discrimination.

Sexual harassment and violence against women in the workplace and in public spaces is another form of discrimination against women that significantly reduces their mobility and makes it difficult for them to participate in the labor force (Willness, Steel, and Lee, 2007). Moreover, violence can be used to enforce women’s compliance and acceptance of poor working conditions and remuneration (Asia Wage Floor Alliance et al., 2016; ILO, 2016b; Balakrishnan et al., 2016). Addressing violence through education, training, and capacity building, through increasing access to legal recourse and support, and through the enforcement of existing laws and public policies is essential to reducing women’s vulnerability in the workplace and en route to and from work.

A recent study by Kes et al. (2016) explores the impact of restrictive social institutions on a variety of outcomes, including women’s labor force participation, using the Organisation for Economic Co-operation and Development (OECD) Social Institutions and Gender Index (SIGI). The SIGI is a composite index compiled by the OECD Development Center that measures social institutions related

\(^3\) Other unobserved factors may include work habits, work effort, or ambition, as well as preferences for more flexible hours of work.
to gender inequality at the country level. The indicators that comprise the SIGI address the de jure and de facto situations of gender-based discriminatory social institutions in each of five sub-indices that describe discriminatory family codes, restricted physical integrity, son bias, restricted resources and assets, and restricted civil liberties (OECD Development Center, 2014). Kes et al. find that higher levels of gender-based discrimination in social institutions, as measured by the SIGI, are associated with lower levels of female labor force participation at the country level.

One response to discrimination is to enact legislation that enforces equal pay for equal work, as is enshrined in Convention 100 of the ILO. This Convention, which dates back to 1951, has been ratified by 172 countries and can provide powerful guidance on how to address discrimination that may be attributable to segmentation or unfair job categorization. For example, it may be that a man and a woman undertake exactly the same work in a company, but that the man is called a “hygiene technician” and the woman a “cleaner.” If the remuneration due to a cleaner is lower than that due to a hygiene technician but there are no substantive differences in the work undertaken or skills required, then this can be addressed through the guidance in Convention 100. The notion of “work of equal value” is critical in eliminating gender-based pay discrimination, particularly in cases where women and men perform different work that is nevertheless equivalent in value, or similar work that is remunerated very differently. As the ILO (2016b: 60) notes: “This is especially helpful in addressing the gender wage gaps due to sectoral and occupational segregation.” Article 2 of the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW)4 also sets out steps that a state party must take to eliminate discrimination, including adopting appropriate legislative and other measures. Since most states have signed on to CEDAW, it can provide a very helpful framework to apply when addressing discrimination concerns.

4 See http://www.un.org/womenwatch/daw/cedaw/
4. Types of Labor Market Interventions

This section provides a concise summary of the types of labor supply- and demand-side interventions that can be envisioned at micro, meso, and macro levels to address the observed gender inequalities in different contexts. Supply-side interventions focus on workforce development and education and training, improving the quality of the labor supply. Demand-side interventions stimulate local or aggregate demand to increase labor demand and provide incentives for hiring and retention of workers (including flexible working hours and family-friendly policies). Additionally, we will briefly describe how labor market institutions can be strengthened to foster stronger enabling conditions. Job-matching and labor market intermediation programs will be treated separately in this section as interventions to improve labor market coordination and better match demand and supply. We will also describe how initiatives to resolve care deficits embedded in both supply- and demand-side initiatives can interplay with these approaches to expand employment opportunities for women. Where possible, we will draw attention to those common and differentiated approaches that have been used in both rural and urban settings. This section sets up the profiles of specific programs and policies considered in Section 5 below.

Labor market institutions are those rules, regulations, and procedures that govern the workplace. They can include a broad range of mechanisms to address the terms and conditions of work, including collective bargaining, minimum wages, rules about the existence and type of employment contract, and working time regulations. Social protection and those institutions that redistribute income, including pensions, income support for the unemployed and the poor, and public social services, can also affect work and working conditions. These institutions are usually developed over time and upheld in legislation. They may be drawn from commitments to international norms and standards about work, such as broad commitments to end child labor and indentured servitude. They are included in this analysis because they affect the enabling environment in which men and women work and can also affect the decision to work and the experience of work.

4.1. SUPPLY-SIDE LABOR MARKET INTERVENTIONS

Most of the 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 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 (Cherry and Gatta, 2014).

Various types of training schemes (funded publicly, privately, or through public-private partnerships) have been developed to increase labor force participation. Some are undertaken by the public sector in response to a particular need, such as unemployment, or to enable a specific group of potential workers (youth, disabled workers, or rural workers) to find employment. Much of the experience of training and skills development has been documented in more developed, wealthier countries. Increasingly, however, these types of programs are being pursued in developing countries as part of social protection initiatives and workforce development efforts, as well as in response to skills shortages in particular sectors. For instance, a scan conducted by the World Bank in 2007 documented 68 youth employment interventions, in 18 countries in the LAC region, most of which focused on skills training for young people (Puerto, 2007).
4.2. DEMAND-SIDE LABOR MARKET INTERVENTIONS

Demand-side interventions tend to focus on stimulating labor demand. Some of these programs have attempted to provide emergency employment during the lean season in rural areas or in response to a disaster such as a hurricane or drought, when many households have lost their primary source of employment or income and there is a corresponding need for reconstruction and development. However, these emergency employment programs and reconstruction efforts have typically targeted male breadwinners, resulting in limited impact on female employment. One of the more prominent programs to have actively modified its recruitment and payment structures to ensure that women also have access is the Mahatma Gandhi National Rural Employment Guarantee (MNREGA) program in India. The MNREGA program supports the construction of small infrastructure and public assets (water tanks, roads, irrigation canals, etc.) and guarantees 100 days of emergency employment per year to adult members of any rural household who apply. The MNREGA program has been quite successful in recruiting women, and this success has only been improved by the decision to provide childcare on-site (Narayanan and Das, 2014; Holmes et al., 2011; Khera and Nayak, 2009).

Other demand-side interventions could include specific trade and sectoral policies that attempt to unlock credit or liquidity constraints for particular sectors with the goal of expanding output in that sector and increasing labor demand. For instance, providing credit at differential rates to particular sectors can increase output and employment. If the sectors selected for differential rates are sectors that increase women’s employment, this approach can be part of a strategy to address gender inequality in the labor market. For example, in Pakistan, the government has been providing credit subsidies to the garment sector at as much as six percentage points lower than the market rate, promoting sector growth and creating employment for women, for whom the garment sector is the largest employer (UNDP, n/d; Zia, 2008).

Similarly, 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. Enacting employment non-discrimination laws and prosecuting companies for violations could increase women’s access to and ability to retain jobs. This is particularly true for pregnancy-related discrimination, as women may be fired when their employers learn of their pregnancies (ILO, 2016b). Enacting legislation that enables women to own and transfer property can increase their likelihood of using this property as capital for employment generation. Additionally, small and medium enterprise (SME) development and credit stimulus have been used to increase employment opportunities for women. Partial credit guarantee schemes have been put in place to improve access to finance for SMEs, specifically those that are underserved, including women-owned SMEs (Beck, Klapper, and Mendoza, 2008; Potts, Reynolds, and Rozendaal, n/d). One such scheme is the National Guarantee Fund (Fondo Nacional de Garantías) in Colombia which, through one of its affiliated banks—Bogotá Emprendedora—specifically targets women entrepreneurs (Potts, Reynolds, and Rozendaal, n/d). In Morocco, 30 percent of the SMEs covered by guarantees of Central Guarantee Fund (Caisse Centrale de Garantie) are women-owned, a proportion that is significantly higher than the average coverage of 12 percent nationwide (Aziz, 2013).

4.3. LABOR MARKET INTERMEDIATION

Labor markets can often fail to generate optimal outcomes for workers. This is particularly true if there is insufficient information about job opportunities and skills requirements, or if employers do not know how to assess skills well and jobseekers do not know who is a good employer. These types of information failures can be usefully solved by labor market intermediation or job-matching services. Such services can be provided by a public or private entity as part of a jobs clearinghouse or recruitment
facility, or they can be linked to skills development initiatives. Teaching unemployed workers how to prepare a resume or curriculum vitae (CV), apply for jobs, and interview can be part of the intermediation. Using a clearinghouse to match employers to employees and jobseekers to jobs can also increase employment rates and reduce unemployment, particularly if it is targeted to a specific group of workers who have particular difficulties finding work.

Evaluations indicate that job search assistance can improve employment and earnings at a fairly low cost—but only when job vacancies exist (World Bank, 2013). What clearinghouses and recruitment facilities tend to do is to increase the probabilities that particular workers will find jobs, generally at the expense of other workers. Moreover, they may be less relevant in contexts where the majority of workers are farmers or self-employed. As a result, these services are more often seen in middle- and higher-income countries and disproportionately in urban areas. Increasingly, these services are being integrated with a range of other complementary services such as training, career counselling, life skills development, and other types of skills-building initiatives or programs. They also appear to be more successful when combined with such complementary services (Fares and Puerto, 2009). Technology is changing the delivery of intermediation services. Text messaging, voice messaging services, online platforms, and mobile applications give jobseekers and employers access to information and job counseling services. As the World Bank (2013) notes, voice-based services are particularly important for illiterate jobseekers.

A number of companies and nonprofit organizations that provide job matching services, such as Souktel, Assured Labor, Babajob, and Labournet, are now operating throughout Latin America, India, and the Middle East. Souktel, for example, has more than 75,000 registered jobseekers—15,000 in the West Bank and Gaza alone—and 200 registered employers. Employers using the Souktel services reported they had cut recruiting time and had reduced costs associated with recruitment by 20 percent. The service has been particularly successful in recruiting women; while women make up 19 percent of the labor force in the West Bank and Gaza, they make up 35 percent of Souktel users (World Bank, 2016a; Santos and Imaizumi, 2016).
5. Case Studies of Successful Programs

This section provides profiles of specific programs and policy actions that have been successfully deployed in a range of developing country contexts to increase women’s employment and reduce labor market segmentation and gender wage gaps. We identify 20 case studies that either have sufficient evidence to determine their success or appear to be promising with respect to their potential impact on women’s employment and on the terms and conditions of their employment. Where possible, we also explore the potential for scale and replicability in different contexts.

5.1. SUPPLY-SIDE INITIATIVES

On the supply side, we focus on those programs that enhance the labor market skills and labor supply of women. These programs include education and training (including STEM and technical vocational education and training (TVET)) as well as investments in education with the goal of increasing levels of formal education for girls and ensuring that they remain in school.

5.1.1. WORKFORCE DEVELOPMENT AND SKILLS TRAINING

Attanasio, Kugler, and Meghir (2008) evaluated the impact of a randomized training program for disadvantaged youth introduced in Colombia, Youth in Action (Jovenes en Acción), on the employment and earnings of trainees from urban areas. The subsidized program was delivered to various cohorts over a period of four years, spanning 2002 to 2005, reaching a total of 80,000 young people. The analysis by Attanasio et al. evaluated the 2005 cohort. The authors used data from a randomized training trial to explore the causal impact of training and workforce development in the context of a developing country. They found that the program raised earnings and employment for both men and women, though women’s gains were greater. Women offered training earned about 18 percent more than those not offered training, while men offered training earned about eight percent more than men not offered training (Attanasio et al., 2008). Of particular interest is that a large portion of the earnings increases for both men and women were shown to be related to increased employment in formal sector jobs as a result of the training. Additional analysis of the types of training offered yielded more findings about how to maximize impact. The benefits of training were found to be greater when individuals spent more time doing on-the-job training, while hours of training in the classroom alone did not have any impact on the returns to training. Cost-benefit analysis of these results suggested that the program generated a large net gain, particularly for women. Although the authors did not address the reasons why the benefits may have been greater for women, we do know that the program offered a stipend of about US$2.20 a day to all participants and that this amount was increased to about US$3.00 per day for women with children under seven years of age to help cover childcare expenses.

The authors also conducted a sex-disaggregated analysis of the internal rates of return from the project under a number of ‘scenarios’ constructed by considering different ways to measure the return rate.5 Attanasio et al. (2008: 32) noted: “Under the first scenario [without depreciation] the internal rate of return is 25% for women and 16% for men, while under the second scenario, which allows for depreciation, the rate of return is 13.5% for women and 4.5% for men. These high rates of return, especially for women, suggest that the training program is a great success, at least when interest rates

5 The internal rate of return is the rate of return that equates the costs with the benefits.
are lower than 4.5%.” The authors determined that one of the impediments to financing such training without a subsidy was its high cost to beneficiaries, despite the obvious gains. For men, it would take about 15 months of pay to cover the entire cost of the program, based on the average pay at the time of the program. Given lower prevailing salaries and wage rates for women, the cost of training for women corresponded to about 21 months of their work. As the authors rightly observe: “Moreover, the costs would be even higher for women with children who would need to cover for childcare costs during their participation in the program” (2008: 32).

Another workforce development program analysis focused on Nepal (Chakravarty et al., 2015). In an attempt to address high rates of unemployment and underemployment in Nepal, a wide variety of public and private TVET programs—many specifically targeted to youth—have been put in place in that country. Chakravarty et al.’s analysis looked at a program, founded in 2008, which operates an Employment Fund that is run by Helvetas, a Swiss non-governmental organization (NGO), in partnership with the government of Nepal. This program is currently one of the largest youth training initiatives in the country, training almost 15,000 youth annually (Chakravarty et al., 2015). With the specific goal of addressing the employment needs of young women in Nepal, the Adolescent Girls Employment Initiative (AGEI) was launched in 2009 to expand the Employment Fund’s reach to an additional 4,410 Nepali women aged 16-24 over a three-year period.

The authors note that at the outset, the Employment Fund (EF) struggled to recruit young women to training events; in response to this challenge, it launched an “enhanced communication and outreach strategy” to recruit more young women trainees in 2011 (Chakravarty et al., 2015: 5). In addition to the advertisements they had been using, the EF-sponsored radio and newspaper spots specifically geared towards young women. Many of these spots encouraged women to sign up for non-traditional vocational training, including mobile phone repair, electronics, and construction. The Employment Fund also partnered with women’s and community-based organizations to use these networks to attract applications from women and marginalized groups. It developed incentives for referrals from these organizations: if a referred applicant gained entry to an EF-sponsored training event, the partner organization was paid a small finder’s fee equivalent to about US$1.25 per person.

The Employment Fund uses a differential pricing mechanism that awards a higher incentive to service providers who agree to train (and place) members of more disadvantaged groups, according to established vulnerability criteria (Chakravarty et al., 2015). The highest incentive is awarded for training and placing the most disadvantaged individuals (highly vulnerable women, including AGEI trainees, widows, ex-combatants, disabled women, etc.), and incentives are gradually lowered for members of less disadvantaged groups. Training providers that are able to cater to these higher-priority target groups are therefore eligible to receive a higher outcome price, but they also face a higher risk of failing to achieve the goal of gainful employment for their clients, the main target EF outcome. The combination of a results-based system with a progressive incentive scheme incentivizes training providers with the capacity to work with vulnerable groups to do so, while those service providers without that type of capacity focus on other groups.

Chakravarty et al. used a quasi-experimental approach to explore the short-run effects of the skills-training and employment-placement services offered by EF-affiliated service providers in Nepal. The authors found that in the three-year period after 2009, during which 40,000 Nepalese youth were reached (including 4,410 young women reached through AGEI), the workforce development and placement intervention significantly improved employment outcomes for participants. The training program was associated with an increase in non-farm employment of 15 to 16 percentage points (Chakravarty et al., 2015). The program also generated an average monthly earnings gain of about 72 percent. Interestingly, the authors found significantly larger employment impacts for women than for men, while women aged 16 to 24 experienced the same improvements as older women. These
employment estimates are comparable with other experimental evaluations of similar interventions in other developing countries, notably those in Latin America analyzed by Attanasio et al. (Chakravarty et al., 2015).

Another important repository of information about skills training interventions to support women’s employment is the found in the World Bank’s Adolescent Girl’s Initiative (AGI). In 2008, the World Bank launched the AGI to understand how to help young women transition to productive employment. The AGI reached more than 16,000 girls in Afghanistan, Haiti, Jordan, Lao PDR, Liberia, Nepal, Rwanda, and South Sudan (World Bank, 2016b). Among the AGI pilots that produced positive results was the Empowerment of Adolescent Girls Project (EPAG) in Liberia, which had an innovative design that tailored the skills training program content and delivery around girls’ needs and constraints; training sessions were held in local communities to cut down on travel time and associated attrition rates, and every training site offered free childcare. The program, which was implemented from 2010 to 2012, was found to increase girls’ employment by 47 percent and increase their weekly incomes by 80 percent, and effects were sustained more than a year after trainings ended (Buvinic and O’Donnell, 2016).

5.1.2. GIRLS AND STEM

There are relatively few initiatives that aim to promote women’s non-traditional education, such as in the STEM fields, in developing countries. Moreover, none of these initiatives are rigorously evaluated consistently to assess their labor market impacts. In Panama, the Inter-American Investment Corporation (IIC)/Inter-American Development Bank provides loans that incorporate explicit gender objectives to renewable energy companies. One of these lending clients, Grupo Ecos, was the first renewable energy lending client to develop an internship program specifically for female students working towards their degrees in STEM and finance (IIC, 2015).

The 2011 meeting of the OECD Council at Ministerial Level launched the Gender Initiative, which was intended to help governments promote gender equality in education, employment, and entrepreneurship (the “three Es”). The aspirations guiding this initiative were to increase economic opportunities for women, increase labor productivity, promote more and better employment for women, widen the tax base, create more fiscal space (i.e., provide more flexibility in government budgetary allocations), and in particular, bolster social protection systems, which will come under increasing pressure due to population aging (OECD, 2011). The OECD report on this initiative offers some key recommendations for improving gender equity in education, employment, and entrepreneurship that are also relevant for developing countries.

The OECD report provides substantial evidence that gender differences in educational choices are consistently related to student attitudes and perceptions about what is appropriate for girls to study rather than girls’ ability and school performance. The report (OECD, 2011: 2) notes that: “Gender gaps in performance are smaller than gender gaps in fields of tertiary study, indicating that young women often do not translate their good school performance into field of studies for higher education that offer better employment prospects, such as STEM studies. Furthermore, even when women complete STEM studies they are less likely than men to work in these sectors.” Although unraveling the complex effects of gender norms and socialization on employment aspirations and expectations is difficult (Carell et al.,

6 There are many studies associating higher levels of formal education with greater labor force participation of women, but these are not the focus of this analysis, which looks specifically at targeted investments in STEM to improve women’s labor market participation and attachment.
it is clear that the net effect of restrictive gender norms on education is to limit women’s career options, lower their future earnings, increase labor market segmentation, and deprive economies of a source of talent and innovation (Campos et al., 2015). As the OECD report goes on to emphasize, gender imbalance in educational choice is also “an inefficient use of investment in education” (OECD, 2011: 2).

While initiatives that make and support investments in non-traditional education for girls are reaching a growing number of girls, there are no consistent or rigorous evaluations of such initiatives’ impacts on labor market outcomes for women.

This may reflect the length of the investment and the fact that STEM jobs usually require advanced study and that gender norms need to be changed at an earlier stage in girls’ education (Mishkin et al., 2016; Tan et al., 2013; Wang et al., 2013). A number of high-tech companies are spearheading investment in STEM education for girls, including Google, IBM, and Mozilla (UN HLP, 2016). Cisco has a Women’s Action Network that organizes information technology events for young women, and it has made public commitments to provide staff on a volunteer basis to inspire students to pursue STEM education. The U.S.-based nonprofit organization Girls Who Code has over 10,000 alumni of its school-year clubs and summer immersion program. An India-based education company, Robotix, has a free program called Indian Girls Code that targets disadvantaged girls to increase their exposure to STEM subjects (UN HLP, 2016). This free coding and robotics education program helps girls learn to code and innovate by creating real-world applications for problems that they encounter in their lives.

**5.1.3. CONDITIONAL CASH TRANSFERS AND EDUCATION OUTCOMES**

Although the labor market impact of investing in education is not necessarily seen immediately, it is clearly fundamental for human capital development and for the skills and abilities of a worker later in life. Conditional cash transfers (CCTs) have been used as effective instruments to break the cycle of intergenerational poverty and improve education outcomes (Adato and Hoddinott, 2010). These programs have been used to address gender equity concerns, particularly where girls drop out of school to perform household and caring chores or to marry. Opportunidadas in Mexico, now called Prospera, is a program that was among the pioneering CCTs in Latin America in the mid-1990s.

Without a doubt, the program has reduced school drop-out rates as well as rates of failure in advancing from grade to grade. It has also had a positive impact on early school enrollment, transition to secondary school, and years of schooling (Behrman, Parker, and Todd, 2005; Parker and Behrman, 2008). In rural areas of Mexico, high school enrollment increased (Parker, 2003). Between the program’s inception in 1997 and 2003, the percentage of children enrolled in secondary education increased to 42 percent for 12-year-old boys and 33 percent for girls of the same age (Behrman, Parker, and Todd, 2005). Beneficiaries 19-20 years old in 2007 showed an average increase in schooling of 0.9 school years. In the age range of 17-18 years, the effect was greater for girls: 0.85 years compared to 0.65 for boys (Parker and Behrman, 2008). Improved education should enable both boys and girls to participate more productively in the labor market, earn higher wages, and achieve greater occupational mobility. However, concerns about the quality of education offered, particularly in rural areas, draws attention to the need to increase investments in school infrastructure, promote the training and retention of teachers, and secure continual improvements in curricula over time. Without these parallel investments, the quality of education may also be insufficient to enable children from poor areas—whether rural or urban—to overcome the prevailing inequalities in educational achievement.
More generous scholarships for girls in rural areas to enroll in junior high and high school have resulted in an increase of 11 to 14 percent in the probability of enrollment, compared with an increase of five to eight percent for boys (Parker and Scott, 2001). After receiving cash transfers for two and a half years, the estimated average increase in years of schooling for girls was 0.38 years, while it was 0.15 years for boys. Schultz (2000) reports a smaller gender gap for the initial years of the program. The effect for girls is therefore 150 percent greater than for boys.

Yaschine (2012) reports that the first cohort of school beneficiaries 10 years after entering the Prospera CCT program showed increased years of schooling compared to their parents. She notes the role of cash transfers in narrowing the disparities between girls and boys and between indigenous ethnic groups and the general population. However, she remarks that even with these promising outcomes, the average attainment of years of schooling for program participants does not yet reach the national average. Yaschine attributes this gap to lower quality education as well as lower opportunity cost of dropping out in contexts where there are limited employment prospects.

5.2. INTERMEDIATION SERVICES

In addition to low levels of training and lack of skills, another barrier to increasing labor force participation is simply matching candidates to potential employers. Organizations have tried to address this obstacle through intermediation programs.

One example of an intermediation program is provided by a job-placement program in India. Jensen (2012) looked at an initiative that provided three years of job-placement services to help young women in randomly-selected rural Indian villages get jobs in the business process outsourcing (BPO) industry. As Jensen notes (2012: 753): “Because the industry was so new at the time of the study, there was almost no awareness of these jobs, allowing us in effect to exogenously increase women’s labor force opportunities from the perspective of rural households.”

Between December 2003 and February 2004, recruiters from the BPO industry visited the treatment villages and presented the project at schools and to local leaders, announcing that they would be visiting the village a few weeks later to provide information on employment opportunities in the BPO sector. They also contacted and worked with local leaders, government officials, and NGOs to advertise the recruitment support sessions. The services provided by the recruiters to promote applications by women were quite comprehensive. The recruiters were required to provide information on the BPO sector, including the types of jobs and level of compensation; information on the names of specific firms currently or frequently looking for workers; strategies for how to apply for jobs (e.g., how to create and submit resumes); and lists of websites and phone numbers. The recruiters also provided interview skills lessons and tips; conducted mock interviews; helped undertake an assessment of English-language skills; and conducted question-and-answer sessions to respond to the specific needs of the women trained. The recruiters were required to emphasize that the jobs were competitive and that they were unable to guarantee employment (Jensen, 2012).

The recruiters provided assistance to women only. Although all women who were interested could attend the sessions, it was made clear that the job opportunities were primarily for women with a secondary school degree, some English language ability, and experience with computers. As Jensen (2012: 761) notes: “In effect this ruled out a vast majority of women over the age of 25; for example, in our data only 8% of women aged 26–50 have completed secondary school. Furthermore, in our rural sample very few women with young children work for pay away from home. This is likely to be even more binding for our intervention, because the urban BPO jobs require commuting or migration.”
Jensen used panel data spanning the three-year period from 2004 to 2006 on women aged 15 to 21 at baseline from the villages exposed to this recruiting intervention. The project took place in 80 intervention villages, which were matched to a further 80 control villages with similar demographic and socioeconomic characteristics for comparison purposes in the research. The survey team worked with local officials to randomly select 20 households per village. The sampling was conducted independently of the intervention, and thus the sample contained some individuals who attended the recruiting sessions and some who did not. Jensen found that women in the treatment villages were 4.6 percentage points more likely to work in a BPO job than women in control villages and 2.4 percentage points more likely to work at all for pay outside the home (2012). Moreover, women from treatment villages expressed a greater interest in working throughout their lives, even after marriage and childbirth, revealing shifting aspirations about work and a longer potential attachment to the labor force. Jensen also found that young women in treatment villages were significantly less likely to get married or have children during this period, choosing instead to enter the labor market or obtain more schooling or post-school training. Additionally, women in the treatment groups also reported wanting to have fewer children and to work “more steadily throughout their lifetime, consistent with increased aspirations for a career” (2012: 753).

5.3. DEMAND-SIDE INITIATIVES

Demand-side initiatives typically focus on stimulating the demand for employment. In this sub-section, we consider a variety of programs, from emergency employment and cash-for-work programs to initiatives that have invested in key value chains and sectors that employ women densely. We also explore wage subsidies and differential taxation for micro-enterprises and SMEs, as well as public sector procurement initiatives.

5.3.1. EMERGENCY EMPLOYMENT

Emergency employment and cash-for-work programs have been proactively deployed to respond to emergencies, compensate for unemployment and under-employment, effect transfers for vulnerable populations, and build infrastructure. Initially, many of these programs targeted male household heads, but over time, they have evolved to include women and address gender concerns (Holmes et al., 2011). Among the programs that have attempted to include women, the Mahatma Gandhi National Rural Employment Guarantee Act (MNREGA) program in India features prominently. The MNREGA program was launched in 2006 and has been implemented in three separate phases. The program guarantees emergency employment to all districts with rural populations, providing wage employment, creating community assets and infrastructure, and strengthening natural resource management.

MNREGA guarantees up to 100 days of employment per year to rural households with adult members willing to do unskilled work at a wage that equates with the statutory minimum wage in each state. Rural households wanting to participate in the program are required to register with their village councils and are issued a job card. Each household is free to determine how to distribute employment among its members. Daily wages are based on the amount of work done and are paid directly into post office bank accounts or traditional bank accounts. The program includes provisions for worksite facilities, including access to safe drinking water, shade, a first aid kit, and daycares for women to leave their children. In the last two phases of the program, an explicit quota has been set for women’s participation through a mandate that they should account for 33 percent of employed workers. In order to promote gender equality, wages have to be equal for men and women and work has to be provided within five kilometers of the applicant’s village (World Bank, 2013).
Undoubtedly, wages and employment for women have increased as a result of this program, yet the gender equality benefits have been more uneven. Holmes et al. (2011: 2) report that: “Entrenched social norms about the gender division of labour affect the type of work seen as ‘acceptable’ for women.” From the analysis undertaken by Holmes et al. (2011), women often receive fewer days’ work because they are assigned tasks that are considered easier or more appropriate for women and that require less time. It is also notable that single women face particular discrimination, since much of the work depends on family-based couples working together, and that there is still a disproportionately high demand for male hours and male labor. Other broader concerns address women’s role in the selection of public works programs to be undertaken through the MNREGA program or the adequacy of the facilities provided on-site (Viswanathan et al., 2014). These concerns speak to the need for more participatory engagement in the selection of public works investments, more proactive selection of women on work crews, and better oversight of working conditions. As Holmes et al. observe, these programs could promote the greater inclusion of women in local planning committees that oversee the selection of the public works programs that MNREGA will undertake. The authors note that greater attention could also be paid to investing in community assets that reduce women’s drudgery, such as irrigation and water pumps, or collective assets that reduce fuelwood dependency or expand women’s access to market infrastructure.

A similar cash-for-work project in Bangladesh developed rural infrastructure with the objective of reducing poverty and increasing the economic opportunities of the rural poor. The Third Rural Infrastructure Project was designed in 1994, implemented in 1998, and completed in 2004. It was principally funded by the Asian Development Bank (ADB), with additional funding from the International Fund for Agricultural Development (IFAD), the Swedish International Development and Cooperation Agency (SIDA), and the OECD. The project goal was to remove physical bottle-necks and reduce costs in rural transport and marketing, thereby improving rural peoples’ access to economic and social facilities and services. Although gender was not initially considered in the project, it was eventually integrated through the development of a gender action plan and mainstreamed with positive results. Women were encouraged to participate in all aspects of the development process, and both short- and long-term employment opportunities were created. Additionally, the institutional capacity of the Local Government Engineering Department and other local government institutions was strengthened, enhancing their ability to improve, operate, and maintain rural infrastructure such as roads, growth centers, and boat landings. The project provided a series of training courses and created employment opportunities for more than 2,800 landless poor women in off-pavement maintenance of the roads. One group of women was employed for a cycle of three consecutive years. These women were offered training on road maintenance, tree planting, and tree-nursery maintenance. Towards the end of their employment cycle, the women were also trained in different income-generating skills to support the investment of the savings they generated through their involvement in the project (ADB, 2010). Twenty-one-day workshops were delivered to encourage civil works contractors to employ women, pay equal wages for work of equal value, ensure the availability of appropriate facilities such as water and sanitation, and allow workers adequate rest in accordance with labor laws. The average share of female workers reached 22 percent and the wage differences for the same work came down to between 17 percent and 25 percent (from 39 percent) over the lifetime of the project (ADB, 2010).

5.3.2. SECTORAL POLICIES

Other demand-side approaches have been used to stimulate demand for female labor and also eliminate barriers to women’s employment. Increasing investment in social care infrastructure can be essential for achieving greater gender equality and higher job growth. These expenditures are in fact investments that expand human capital development, reduce poverty and inequality, increase employment for both men and women, stimulate tax revenue generation, and increase fiscal space (Seguino, 2013; Ilkkaracan
et al., 2015). A recent study by Ilkkaracan et al. (2015) in Turkey explored the employment opportunities that could be created by boosting expenditures on early childhood care centers and preschools in comparison to physical infrastructure and public housing, modelling the direct and indirect employment that would be generated. The authors found that an injection of 20.7 billion Turkish Lira into physical infrastructure would generate a total of 290,000 new jobs in construction and other sectors, while an equivalent injection into early childhood education would generate 719,000 new jobs in childcare and other sectors (2.5 times as many jobs). While an estimated 73 percent of the new jobs created via an expansion of childcare services would go to women, as little as six percent of the new jobs created via a construction boom would go to women. Moreover, when Ilkkaracan et al. considered the multiplier effects, investing in childcare services still created a substantial number of jobs for men (195,463), as much as 72 percent of the total number of male jobs that would be created through a boost in investment in physical infrastructure. In addition to creating more jobs in total and more jobs for women and the unemployed, the authors determined that an expansion in childcare services would create more decent jobs than a construction boom. Of the new jobs that would be generated in care services, 85 percent were estimated to come with social security benefits, versus 30.2 percent in the case of construction-generated new jobs. This estimate reflects the levels of informality in construction and the seasonal nature of these jobs.

Ilkkaracan et al.’s findings are similar to those from a study by de Henau et al. (2016), which reported simulation results from seven OECD countries. The study showed that investing two percent of GDP in public services of care would create almost as many jobs for men as investing in construction industries in the UK, US, Germany, and Australia, but would create up to four times as many jobs for women.

Projects such as the USAID-funded Pakistan Regional Economic Integration Activity (PREIA), which is a five-year, US$14.4 million project that aims to further the development of Pakistan's trade sector, can also be used to expand women’s access to employment. PREIA’s focus on trade promotion and facilitation will include collaboration with public- and private-sector stakeholders in Pakistan to improve trade and transit competitiveness and increase trade and transit volumes. Women’s employment and women-owned enterprises will be targeted through this initiative with the explicit goal of increasing women’s access to employment and improving their ability to engage in traded production and services (USAID, 2016).

Leveraging state cooperation and injecting funds into particular sectors with the expectation that this funding will generate quality jobs for women will require careful monitoring and oversight. Yet the benefits can be substantial, opening up new sectors and occupations to women and moving women into and up higher value-added supply chains.

5.3.3. PUBLIC PROCUREMENT

Kirton (2013) looks at the evidence on gender, trade, and public procurement policies. This analysis begins with the premise that government procurement makes up a significant proportion of international trade: “The procurement market often makes up 10 to 15 per cent of the GDP of developed countries and up to 30 to 40 per cent of the economies of least developed countries” (Kirton, 2013: 3). Given the size of government spending, public procurement could provide a very useful tool for achieving equity objectives through initiatives to promote small businesses and even to increase the employment of women and minorities.

Although there is increasing scope for using public procurement, few initiatives have been rigorously examined for their impact on women workers or on women-owned businesses. The International Trade Centre (ITC) (2014) explores a number of changes in legislation that could potentially allow for
more positive discrimination in government procurement. Among the cases profiled is the example of Kenya. In 2013, the government of Kenya announced that it would amend the public procurement regulations to reserve 30 percent of government contracts for women, youth, and persons with disabilities (Gathira, 2013). These initiatives can yield gains for women workers and women-owned businesses but need to be implemented in tandem with efforts to disseminate information about government contracting procedures and qualifications for bidding. For example, Kenya has also established a Commonwealth Business Women’s Academy to train women and women-owned businesses on how to take advantage of business opportunities through procurement. As of 2015, 55,000 businesses have registered under the procurement programme at the Academy (Thevathasan, 2015). To-date, unfortunately, the evidence base on how public and private procurement initiatives have worked for women and vulnerable groups is rather thin. While promising in terms of potential scale, more work needs to be done to determine the employment impacts for women.

5.4. LABOR MARKET INSTITUTIONS AND SOCIAL PROTECTION

Following Berg (2013), we employ a broad definition of labor market institutions that includes institutions that regulate the workplace: collective bargaining, minimum wages, the existence and type of employment contract, and working time regulations. We also explore social protection and those institutions that redistribute income, including pensions, income support for the unemployed and the poor, as well as public social services. Social protection includes income supports and transfers during old age and to mitigate poverty and also embraces healthcare, education, childcare, and elder care.

5.4.1. SOCIAL PROTECTION

Social protection—in the form of healthcare, institutions that redistribute income, 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 (Cameron, 2014).

In South Africa, the expansion of social protection has been consistently undertaken since the end of Apartheid. One program of particular to note is the Child Support Grant (CSG), which plays an important role in providing income security to poor children. Although the grant is means-tested, the scheme reached 10.8 million children in 2012, that is, more than half of all children under the age of 18. Coverage has also been significantly extended by gradually increasing the maximum age threshold, from seven years before 2003 to 18 years in 2008, and by pegging the income threshold to inflation. A monthly benefit of 300 South African Rand (ZAR), equivalent to about US$28, per child is provided to caregivers who are South African nationals or permanent residents and whose annual earnings are below ZAR34,800 for a single adult and ZAR69,600 for a couple. Applicants need to provide proof of income or of their status as unemployed, as appropriate. However, in order to facilitate access to the benefit for eligible families, particularly the poorest, the government has made substantial efforts to disseminate information about the eligibility criteria, simplify application and disbursement procedures, and reduce the number of documents applicants need to present. The CSG is widely considered to have been successful in targeting poor households and to have had a discernible impact on children’s lives, with positive effects on early childhood development indicators, overall health status, school

7 See http://agpo.go.ke/
attendance, and educational attainment, including narrowing the schooling gap between children whose mothers have less education and those whose mothers have more; there have also been reductions in risky behaviors by adolescents (Patel, Hochfeld, and Moodley, 2013). Some of the educational impacts of the CSG were particularly significant for girls; early CSG enrollment was found to improve girls’ grade attainment by one quarter of a grade, mostly by reducing the likelihood of delayed school entry of girls, and girls who were enrolled early also obtained higher marks on tests of mathematical ability and reading. The program also produced more pronounced improvements in girls’ anthropometric measures compared to the full sample (DSD, SASSA, and UNICEF, 2012). The grant also facilitated access to the labor market. Mothers who were recipients of the CSG were more likely to participate in the labor market and more likely to be employed (ILO, 2015b).

Another example of an initiative that has provided targeted support to informal workers is the Kalusagang Sigurado at Abot-Kaya sa PhilHealth Insurance (KaSAPI) program in the Philippines (Minoza, n/d; Rockefeller Foundation, 2013). As with many developing countries, the Philippines had very low rates of health coverage for informal economy workers well into the 2000s. Although informal economy workers could voluntarily pay a membership fee and register for health insurance as self-employed workers, very few workers were able to do this because the costs of joining health insurance programs and the premiums were prohibitively high. In order to address this unmet need for health insurance, PhilHealth, a health insurance company in the Philippines, launched the KaSAPI initiative in 2005. This program extended health insurance protection to informal workers by partnering with cooperatives, NGOs, and rural banks that focused on providing financial and other services to those in the informal economy. Rather than focus on enrolling individuals, the initiative instead partnered with organizations that already had extensive constituencies of informal workers. The target enrollment rate for each partner institution was 70 percent of the organization’s membership. This innovative strategy had the dual benefit of reaching more people and reducing the administrative costs associated with recruiting and enrolling these populations. An added benefit for the workers was that these existing institutions allowed for greater payment flexibility. Starting with only four partner organizations, the program grew to include 17 organizations by 2009 and had enrolled over 27,000 informal workers by that same year.

Initiatives such as KaSAPI can mitigate the cost of working in the informal economy, reduce out-of-pocket expenditures on healthcare, and reduce workers’ exposure to economic shocks and poverty. When undertaken by governments and rolled out through existing public and private institutions, there appears to be substantial opportunity to reach scale. Particular effort may need to be made to reach women workers.

5.4.2. CHILDCARE SERVICES

Other supply-side initiatives address the key barriers to women’s employment by reducing time burdens or socializing the cost of and responsibility for care between the market and the state—and even between men and women. Providing subsidized, affordable, and quality childcare has been proven to increase women’s labor supply and labor market attachment (Buvinic and O’Donnell, 2016). Childcare provision is more frequently and more easily provided in urban and peri-urban contexts. Yet some important rural initiatives stand out as being critical for both early childhood education and development and women’s employment.

Several childcare schemes in Latin America have been shown to have significant effects on women’s employment. One program which has been evaluated against employment-related indicators is an unnamed childcare program in Rio de Janeiro, Brazil that expands access to free publicly-provided childcare to families living in the city’s low income neighborhoods. Paes de Barros, Olinto, Lunde, and
Carvalho (2011) used data from 2008 to evaluate the impact of the program. The evaluation strategy relied on the fact that in November of 2007, the city government held a lottery to select 10,000 children out of a pool of approximately 24,000 applicants for the 2008 enrollment period. Many eligible households who had applied were randomly excluded from the program by being placed on a waiting list. The study’s authors drew a sample of 4,348 applicant children, of which 2,174 (50 percent) were lottery winners and the remainder had been placed on the waiting list. Approximately four to eight months after enrollment, interviews were conducted with the families of the sampled children to collect socioeconomic data to assess the validity of the randomization and to estimate the impact of access to childcare on mothers’ labor market outcomes. Paes de Barros et al. (2011: Abstract) found that “access to free publicly provided child care services led to a very large increase in the use of care (from 51 to 94 percent), a considerable increase in mothers’ employment (from 36 to 46 percent), and almost doubled the employment of mothers who were not working before the lottery took place (from 9 to 17 percent).” Interestingly, they found no statistically significant impact on hours worked for mothers who were already employed. The rise in mothers’ employment was also associated with a 16 percent increase in average monthly household income, from [Brazilian Real] R$569 to R$661. This difference of approximately R$91 was well below the monthly cost of childcare services, estimated at approximately R$250 per child, providing credible evidence that the families could not have covered the cost of childcare from new earnings (Paes de Barros, 2011).

Mexico’s Daycare Support for Working Mothers (Estancias Infantiles para Apoyar a Madres Trabajadoras) is another childcare scheme in the LAC region which was created specifically to increase women’s labor market participation. Launched in 2007, the program covers 90 percent of the cost of care for children between the ages of one and four years in low-income urban areas. The program has been found to have significant impacts on mothers’ employment. The proportion of participating mothers who were employed increased 18 percent, while the average number of hours they worked each week increased by six. Impacts were particularly strong for women who were not working before joining the program (Ángeles et al., 2011). Another evaluation of the program revealed similar impacts; Calderón (2011) found there was an increase of nearly two percentage points in women’s probability of working and an average increase of 20 percent in their labor income.

5.4.3. WORKPLACE FLEXIBILITY INITIATIVES

Yet another set of initiatives that aim to increase the labor supply of women promote workplace flexibility. While these initiatives have been evaluated and pursued across developed and developing countries, they tend to apply to work in the formal sector and to higher-income, higher-skill jobs, for which the cost of hiring, firing, and retention are significant. Without a doubt, the organization of work within a company or firm can greatly affect women’s ability to work and as a result, affect gender equality in the firm and the labor market (Gammage, 2015). Flexible workplace practices have the potential to mediate care and work and to improve work-life balance in a way that is also consistent with enterprises’ needs. Workplace practices are often governed by collective agreements or informal employer rules, particularly in smaller enterprises. To overcome this, many countries have set statutory entitlements on flexibility in working hours (Hegewisch and Gornick, 2011).

Flexible working arrangements have multiple potential benefits for workers and employers. They can contribute to increasing the quality of part-time work, particularly for women, as they are more frequently found in part-time jobs. They can also foster greater gender equality by allowing men to adjust their working hours to accommodate their responsibility and right to care for children and family. Flexible work hours can also facilitate the return to work for new parents and caregivers and as a result, reduce the costs associated with being out of the labor force to undertake caring responsibilities (Gammage, 2015). Moreover, these arrangements can accommodate different needs over the life-cycle
that can foster lifelong learning or gradual retirement. These types of arrangements are largely concentrated in formal employment, where the cost of hiring and retaining workers is significant, and they tend to apply to higher-income economies and employment that requires tertiary education and sector-specific professional qualifications. This caveat notwithstanding, there has been a diffusion of such arrangements across the high-tech sectors in Asia and Latin America (Boston College, 2007; Idrovo et al., 2012). Boston College (2007) has reported on a number of initiatives with high-tech companies in Asia, including one with Hewlett Packard in China that promotes flexible working arrangements and working from home for up to two days per week. Since employees work in pods with shared seating, this flexible arrangement reduces the need for office space expansion and allows workers to adjust their schedules to better accommodate their caring responsibilities. The company reports lower real estate costs and reduced employee stress, particularly for female employees. No rigorous evaluation metrics are shared, but the finding appears to be consonant with those of other similar companies employing flexible work arrangements (Boston College, 2007).

Colinas (2009) has documented the case of Microsoft Iberoamérica, a Spanish affiliate that has been commended for its best practices in promoting a healthy work-life balance. In 2004, Microsoft Iberoamérica realized that it faced high turnover rates (particularly for women between the ages of 28 and 35 who had long hours and significant travel responsibilities), which meant a significant loss of job-specific human capital. As a result of this diagnostic, the company developed a pilot project and channeled a portion of its budget into workplace flexibility measures. These measures included extending benefits with respect to maternity, paternity, and breastfeeding beyond their legal requirements. Microsoft Iberoamérica also implemented results-based management practices referred to as “trust-based management.” These work-life balance measures increased retention and reduced turnover and loss of key personnel. Microsoft also reported a greater level of employee satisfaction and productivity. The adoption of a range of flexible workplace measures—including the ability to telecommute and work from home, increased breastfeeding leave (up to two hours a day), maternity leave with 100 percent salary, measurement of deliverables by products rather than hours, and other corporate social responsibility measures—have led Microsoft Iberoamérica to win a number of prizes, including the Madrid Flexible Workplace Prize for 2005 (Colinas, 2009).

The International Finance Corporation (IFC) (2013) documents the case of a Turkish shipping company that significantly modified human resource practices to actively recruit women workers. After privatization, Turkish ferry company IDO (İstanbul Deniz Otobüsleri Sanayi ve Ticaret) embarked on an initiative to attract more women into its male-dominated workforce. The company began by reviewing its human resource policies and recruitment procedures to ensure that the formal structures were in place to foster greater gender diversity in the company and improve women’s hiring, retention, and promotion. As a result of its efforts, IDO increased the number of women in leadership positions from one to seven and nearly doubled the number of women on the payroll (IFC, 2013). Although these efforts to promote workplace flexibility can prove effective to increase women’s labor force participation and attachment, they remain largely voluntary in the absence of legislation that mandates greater workplace flexibility with labor rights. For example, the majority of OECD countries have laws and statutes that protect the rights of workers with dependents to negotiate with their employers to:

- Reduce or increase hours of work;

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• Guarantee access to benefits with part-time work;
• Extend parental leave or facilitate a gradual return to full-time work;
• Facilitate more flexible hours and location of work using options, such as teleworking and telecommuting; and
• Not obligate that they undertake shifts or work hours that are incompatible with their care responsibilities.

A small number of developing countries have similar statutes and legislation. But only 44 countries have signed the Workers with Family Responsibilities Convention (ILO Convention 156), which supports equal treatment for workers with family responsibilities. Convention 156 could serve as the basis for negotiations between employers and employees and provide the foundation for collective bargaining agreements to secure more flexible workplace arrangements that accommodate caring responsibilities.

5.4.4. MINIMUM WAGES

Finally, raising minimum wages may provide another effective way to promote greater gender equality in labor markets and to stimulate women’s labor supply. Mainstream economic theory argues that higher minimum wages can lead to employment losses, since higher wages reduce the quantity of labor demanded. But substantial empirical evidence exists to the contrary (Card and Krueger, 1994; Manning, 2003; Belser and Rani, 2015), suggesting that minimum wages have at most negligible effects and may even have positive effects on employment. This is because firms are able to realize productivity benefits as higher wages attract a pool of applicants comprising higher-productivity and more motivated workers. What is more, minimum wage increments may also spill over to other, informal sectors not covered by minimum wages through a “lighthouse effect,” allowing them to become a reference wage for other sectors and for informal employees (Gammage, 2015). This has the potential to reduce wage inequality and raise earnings for lower-income workers. In a study by ILO, for instance, the average earnings of informal workers were found to increase in eight out of the 11 countries studied after a minimum wage was introduced. The increase was as high as 15 percent in Mali. Since women are more likely to cluster at the lower end of the income distribution (Rubery and Grimshaw, 2009), as well as in the informal sector (UN Women, 2016) increasing the minimum wage may generate more benefits for women workers.

Dinkelman and Ranchod (2012) explored the impact of raising the minimum wage for domestic workers in South Africa in 2002; 96 percent of domestic workers in South Africa in 2015 were women (based on our own calculations from Status of Women in the South African Economy, 2015). The minimum wage increase was motivated by the desire to improve the terms and conditions of employment in a sector where women were particularly vulnerable to exploitation and where employment contracts were largely determined by workers and employers individually. Although some aspects of employment legislation were supposed to apply to domestic work, in reality, working hours, vacation, and pensions were rarely regulated and statutory requirements and protections for workers seldom upheld. Under the new law, domestic workers and gardeners working in private homes had the right to a minimum wage and to eight percent annual wage increases. There was concern that raising wages would result in large-scale unemployment among domestic workers as households let their home help go or under-

employment as they reduced workers’ hours. Interestingly, the authors found no statistically significant negative effects of the new law on employment or on the number of hours worked. Wages and incomes rose for domestic workers in the sector with no noticeable negative employment effects. The authors (2012: 34) report that: “The introduction of a minimum wage in the domestic worker industry appears to have had immediate and substantial effects on earnings and wages of the average domestic worker, yet limited effects on hours of work.” Moreover, the authors underscore that the positive impact of the law was somewhat surprising, given the widespread lack of monitoring and enforcement in this highly informal sector. Although rates of formalization—measured in terms of formal contracts and social security compliance in the sector—increased only slightly, they did increase. The authors emphasize that their findings would support the view that in the initial stages of labor market formalization, governments may need to accept partial compliance with new legislation in order to bring about real changes in outcomes without significant unemployment. But it appears that even with very limited enforcement, sector-specific legislation can move the market towards a more formal setting if, for example, it increases contract coverage, as in the South African case.

5.4.5. ORGANIZATION AND COLLECTIVE ACTION

Organization and collective bargaining also have tremendous potential to yield improvements in the terms and conditions of employment for women (McGowan et al., 2016; Gammage, 2015).

The evolution of ILO Convention 189 provides a powerful example of collective action to develop and implement a new and unprecedented sectoral Convention Concerning Decent Work for Domestic Workers, the majority of whom are women. Indeed, there is a long history of organizing and coalition-building across national, regional, and international contexts foreshadowing Convention 189 and Recommendation 201. Domestic worker organizations have been forming and claiming their rights as workers around the world from the early 1970s onwards. Two key unions, the Single Union of Domestic Workers (Sindicato Unico de Trabajadoras Domesticas) from Uruguay and the National Federation of Domestic Workers (FENETRAD) from Brazil were among the domestic workers’ groups that participated in the founding congress of the Latin American Confederation of Household Workers (CONLATRAHO) in 1988 in Bogotá, Colombia (Gammage, Kabeer, and van der Muelen Rodgers, 2015). CONLATRAHO is an umbrella organization that includes 37 organizations from over 11 countries in Latin America that are active members of the International Domestic Workers Federation (IDWF). Reflecting the overwhelming need to organize and make claims on duty-bearers in Asia, the Committee for Asian Women brought together domestic workers’ organizations from five Asian countries to set up the Asian Domestic Workers Network (ADWN) in 2004 (Kabeer, 2015).

Much of the collective action focused on the first global conference of domestic workers’ organizations in Amsterdam in 2006. This conference was organized by a number of NGOs, including Women in Informal Employment Globalizing and Organizing (WIEGO), RESPECT-Europe, and several prominent domestic workers’ organizations and federations in Ireland and Italy. Highlighting the importance of union support and organizing, the ILO, the International Union of Food, Agricultural, Hotel, Restaurant, Catering, Tobacco and Allied Workers’ Associations (IUF), and the International Trade Union Confederation (ITUC) provided critical support. The conference led to two key outcomes: the formation of an international network of domestic workers’ organizations and a call for an ILO

convention on the rights of domestic workers (Gammage, Kabeer, and van der Muelen Rodgers, 2015; Kabeer, 2015).

After much work and coalition-building through these alliances, the International Domestic Workers Network (IDWN) was formed in 2008. WIEGO played an important role in helping the IDWN to find funding and to link to other domestic worker’s organizations around the world. At the same time, the IUF and ITUC began lobbying for a new convention with the ILO. The IDWN, as a newly formed union, wanted official representatives with negotiating rights to be able to participate at the ILO’s Labour Congress. In 2010, the IDWN was successful and 11 domestic workers’ leaders were members of the workers’ delegations of their countries. By 2011, this number had risen to 20 (Gammage, Kabeer, and van der Muelen Rodgers, 2015; Kabeer, 2015).

Convention 189 provides a framework to formalize domestic work and improve the terms and conditions of employment for domestic workers globally. Where it has been implemented, we have little evidence of any employment losses, and countries report substantial gains in terms of formalization and access to benefits and healthcare (ILO, 2016b). In 2010, the ILO estimated that only 10 percent of domestic workers were covered by labor legislation to the same extent as other workers (ILO, 2016a). Since 2011, the ILO reports that over 70 countries have taken action to ensure decent work for domestic workers; 22 of these countries have ratified Convention 189, 30 have implemented law and policy reforms, and 18 are extending protections (e.g., pensions and unemployment benefits) to domestic workers (ILO, 2016a).
6. Conclusions, Evidence Gaps, and Lessons Learned

This section highlights the demand- and supply-side lessons learned from the previous sections and explores the importance of building robust labor market institutions for promoting greater gender equality in labor markets. It draws attention to the existing evidence gaps and recommends areas to inform the learning agendas of USAID's Office of Trade and Regulatory Reform (E3/TRR) and the Office of Education (E3/ED), both in the Bureau for Economic Growth, Education, and Environment, as well as USAID's broader monitoring and evaluation practices.

Section 5 explored a number of interventions to promote greater gender equality in labor markets on the demand and supply side, as well as through intermediation services. The selection of programs, policies, and projects was purposive, and each case study was intended to be illustrative of the larger landscape of investments in gender equality in labor markets.

6.1. SUPPLY-SIDE INTERVENTIONS

We chose to highlight a number of projects that target the supply of labor by enhancing women’s labor market skills and abilities that also have rigorous evaluations. Although there are many promising programs that seek to expand women’s skillsets and increase their employability, rigorous evaluations are required to determine the nature and extent of their employment impact for women. Among the most rigorously evaluated programs are a set of training interventions typically targeted at youth and the unemployed. Despite being subject to the general criticism that these programs merely shift a trainee’s place in the job queue without increasing employment opportunities overall, they appear to have quite positive outcomes for women and adolescents, particularly in Latin America (World Bank, 2013; Attanasio et al., 2008). Notably, however, many of the training programs that explicitly address youth fail to consider the centrality of access to reproductive healthcare and childcare services, particularly for women, as being fundamental for women’s participation (in terms of both frequency and longevity) in the programs and in their subsequent employment outcomes.

Investment in skills training and workforce development appears to yield substantial and positive results for women trainees and workers, particularly when efforts are made to compensate for women’s care burdens and to provide care services. Increasing the array of care and reproductive health services available to trainees and workers is likely to improve women’s labor market attachment and longevity in employment.

The TVET evaluations we included here do not critically examine the quality of employment and whether the employment is in the formal or informal economy. From our review of the literature, further research and evaluation needs to be done to see whether women trainees and beneficiaries of TVET programs are more likely to work in formal employment and remain in formal employment over time. In addition, supporting further study that looks at the gender-specific investments required to make TVET programs work more effectively—for instance, by providing childcare services for TVET program participants—would be important.

We also found little information about what investments on the supply side reduce labor market segmentation. While STEM investments appear to be promising for women, helping to increase the array of employment opportunities for them, we found no evidence of rigorous evaluations of STEM investments in developing countries. This may be because STEM investments require substantial time
before potential workers enter the workforce. Where we have seen reduced labor market segmentation is when governments and private sector entities proactively engage in changing labor demand, for instance through changes in hiring practices that break down occupational silos and reduce labor market segmentation. These can be mandated through legislative changes that reduce barriers to women’s participation in key sectors or as a result of voluntary measures to change human resource practices and shift to results-based management, more flexible work-life balance policies, etc.

A key element in promoting women’s labor force participation and in building their human capital, which will allow them to move up within the labor force, is to keep girls in school longer. We explored conditional cash transfers as one important mechanism for encouraging families to keep girls in school, but more must be done, including changing social norms that prompt families to marry their young daughters off rather than keeping them in school and recognizing, reducing, and redistributing unpaid care work burdens, such as collecting water or fuelwood, that cause girls to miss school.

6.2. INTERMEDIATION INTERVENTIONS

Labor market intermediation can also be effective, and particularly so for women who may have reduced access to social networks and information about employment opportunities. The case study analyzed in Section 5 found substantial and positive effects for women workers in India, underscoring that providing these services can be effective even in contexts where substantial barriers exist to women’s participation in the labor force.

Labor market intermediation services can prove to be particularly effective when they are combined with other forms of training and capacity building (World Bank, 2013). They appear to compensate for the lack of information and for information asymmetries between workers and employers. Since women may have more restricted social networks and less information about employment opportunities than men, labor market intermediation interventions may be most helpful when they are tailored specifically to women and designed to promote women’s employment.

6.3. DEMAND-SIDE INTERVENTIONS

On the demand side, emergency employment schemes can be part of an array of policy and programmatic measures to address poverty and seasonal fluctuations in work availability. While they have typically been engineered to provide employment to male breadwinners, these programs are evolving and increasingly include the implementation of specific measures to target women. These measures may need to be continually and iteratively refined to ensure that women workers can and do participate effectively and equally, particularly if they have caring responsibilities. But it is clear that such programs have the potential to provide employment opportunities for women and to contribute to modifying social norms and expectations about what types of work women can undertake. They can also be used to challenge ideas about what work is appropriate for women and to expose women to new skills. As such, they can span both demand- and supply-side measures.

Sectoral policies also have great potential to stimulate the demand for women’s labor and promote greater gender equality in labor markets. The sectoral policies that appear to yield the greatest gains are those that expand care work and care opportunities for women and men. We have a number of experiments—many of them rigorously evaluated—that underscore that care provision yields substantial benefits for workers with caregiver responsibilities, increasing their labor supply. There is also evidence that investments in these types of policies and programs on a large scale can generate employment for men and women and yield substantial and positive multiplier effects, expanding aggregate demand and fiscal space. One thing that is interesting to note is that we found little evidence of research and
evaluations that assess the labor market impacts of extending school days and providing after-school care in developing countries, even though this could prove to be a particularly fruitful investment for further exploration and funding.

Public and private sector procurement also affords a potential lever for increasing women’s employment and improving their earnings by requiring that a certain percentage of goods or services are produced by women, minorities, or the disabled (or by SMEs owned by more marginalized populations). Yet again, we found little evidence of the impact of these policies on women’s employment to-date.

6.4. LABOR MARKET INSTITUTIONS AND SOCIAL PROTECTION

Expanding access to social protection (healthcare, pensions, unemployment protections, etc.) allows more women to enter the labor force by reducing out-of-pocket expenditures and vulnerability to economic shocks. There are a wealth of studies that explore the positive impacts of these investments on women’s labor force participation. Making investments in social protections, particularly those that are available for informal workers, significantly improves worker wellbeing.

Expanding access to childcare and ensuring that quality childcare is available to women workers mediates women’s care responsibilities more effectively and seems to be consistently associated with their improved access to labor markets and employment. Extending school days, providing after-school care, and making the school year align more closely with employment schedules are also likely to be key in increasing women’s labor force participation and shifting many women from part-time to full-time work (Gornick et al., 1996). These types of initiatives are likely to be more effective when undertaken as part of legislative initiatives to expand access to childcare.

Investing in greater workplace flexibility, which permits workers with caregiver responsibilities to better achieve a work-life balance, has also increased women’s participation and retention in key sectors and occupations. These types of initiatives can be legislated, through statutes that mandate that firms address worker demands for greater flexibility, or can be voluntarily undertaken within the private sector. Where they are mandated, such policies may work better if some type of social insurance is available to firms and workers to allow for greater flexibility. Paid maternity and paternity leave is one example where having a social insurance fund would reduce the cost for individual firms of having workers on leave and could even enable hiring for replacement coverage. This may be particularly important where pregnancy is perceived as a barrier to women’s employment.

Minimum wages provide another example of a labor market policy that can improve gender equality in the workforce, reduce gender wage gaps, and increase women’s labor supply. The example we gave in Section 5, of raising the minimum wage of domestic workers, does not appear to have reduced women’s employment opportunities, but it did appear to benefit workers substantially.

Finally, organization and collective bargaining have the potential to yield improvements in the terms and conditions of employment for women, as the case of the collectivization of domestic workers across Latin America and Asia in Section 5 illustrates.

6.5. WHAT IS NEEDED TO MAKE INTERVENTIONS WORK?

One important thing to note is that few of the case studies explored here are entirely either demand- or supply-side focused. Many bundle services that act on both sides of the labor market, stimulating
labor demand, increasing worker skills, and linking employers and employees, or workers and firms. Those that bundle services may also be more effective. For example, Fares and Puerto (2009) find that combining workforce training programs with services such as counseling, mentoring and monitoring, job search and placement assistance, training on soft and life skills, and financial incentives produces the strongest program outcomes, measured both in terms of improved employment or earnings and cost-effectiveness. Further research and operations research is needed to explore which bundle of services works best for different groups of women, young women, rural women, indigenous women, women with children, etc.

Few of these investments in programs are likely to grow to scale if they exist in an unfavorable legislative and institutional context. Investing in labor market institutions, reducing discrimination through legislation, and expanding social protection are measures that are likely to yield the largest benefits for all workers and also for women workers. Supporting investments in legislative and institutional reforms that expand opportunities for women workers could be a particularly effective in expanding women’s opportunities to work and promoting greater gender equality in labor markets.

Finally, although this guidance note did not focus explicitly on education, it is clear that investments in education and women’s achievement of education parity with men, particularly at secondary and tertiary levels, are associated with their greater labor force participation. Yet these investments alone are neither necessary nor sufficient to ensure that women are in the workforce or that they achieve gender equality in the workforce. At low levels of development, men and women may have high participation rates, and gender gaps in labor force participation may be low. This may be because workers face a subsistence imperative to work and there are no alternatives. The evidence of a U-shaped participation curve for women across different levels of development tells us that other factors also mediate women’s decision and ability to enter and remain in the labor force. There is certainly need for further research on these enabling factors to ensure that the decision to work reflects women’s choices and that the social, economic, and physical barriers to women’s labor force participation are reduced.
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