

Gender Equality and Development: The Role of Legislation

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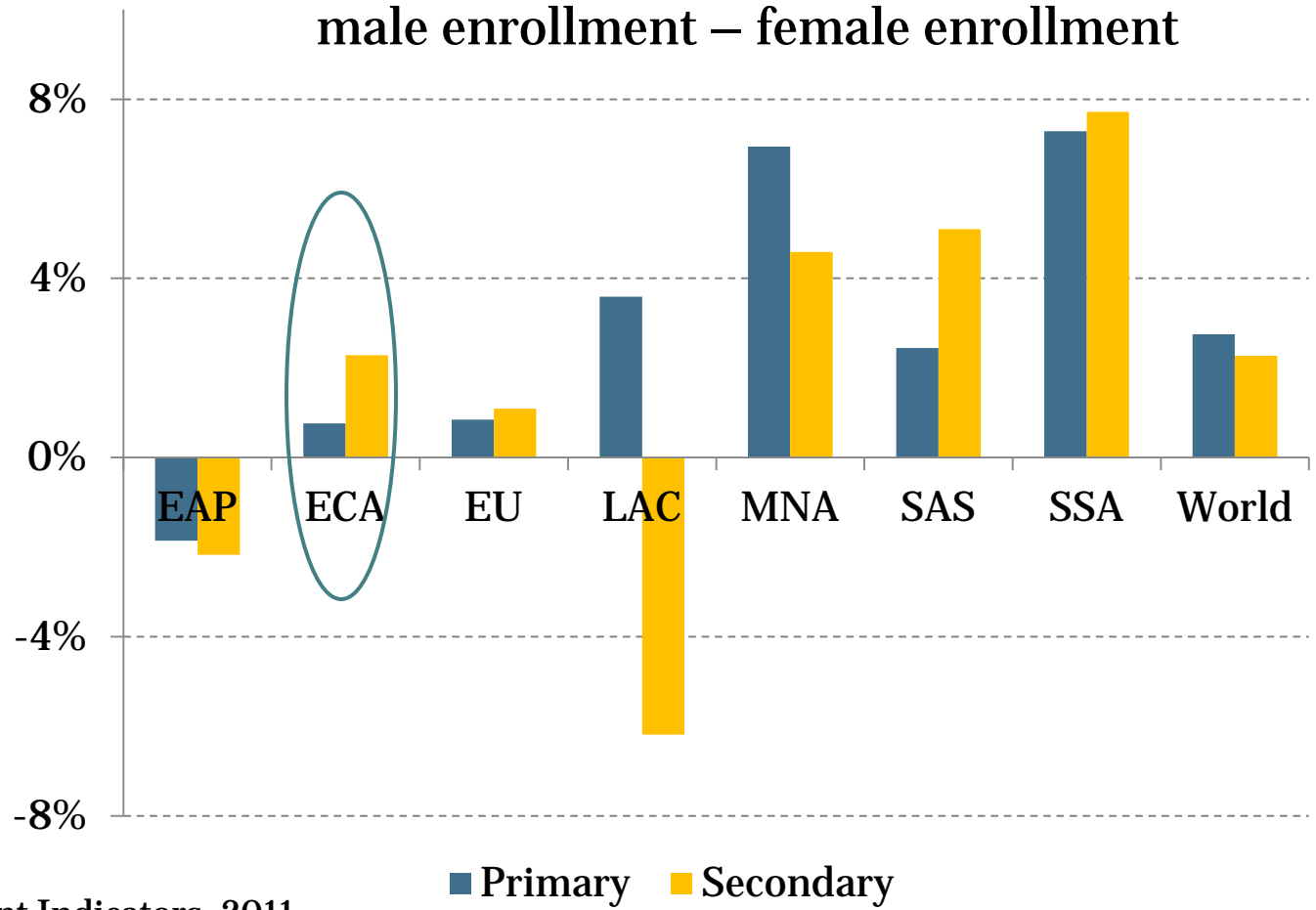
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Outline

- Gender gaps in Europe and Central Asia
- Gender and development
- Understanding the root causes of gender equality
 - Framework
- Legislation and access to economic opportunities
 - Labor laws
 - Beyond labor laws
- Policy discussion

Small gaps in human capital endowments...

Gaps in gross enrollment rates:
male enrollment – female enrollment

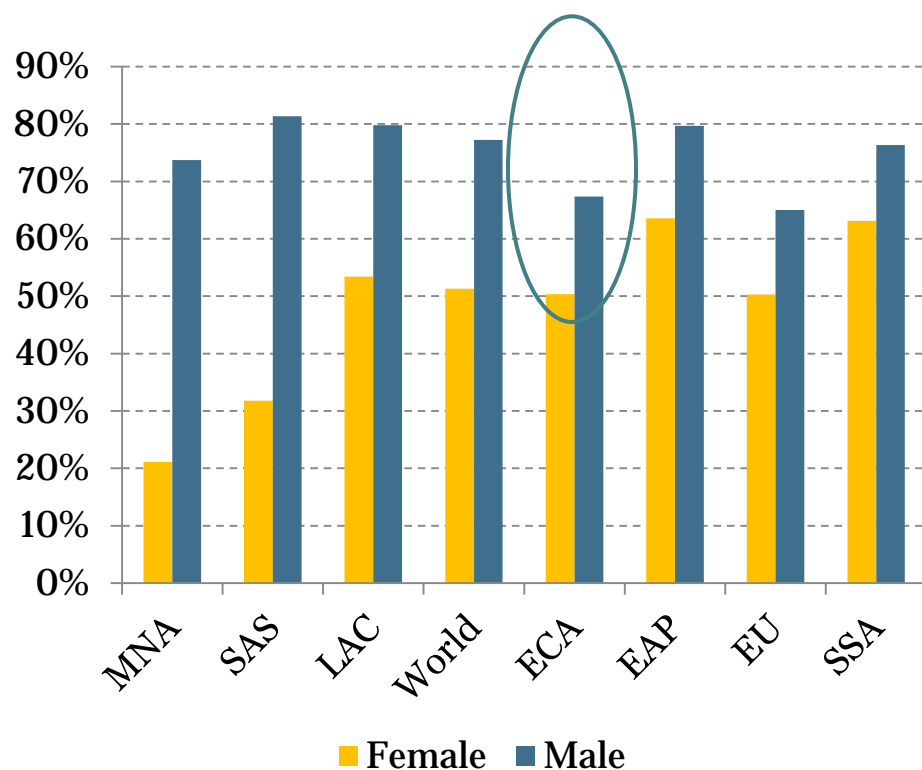


The gender gap in education in ECA is minimal

Source: World Development Indicators, 2011

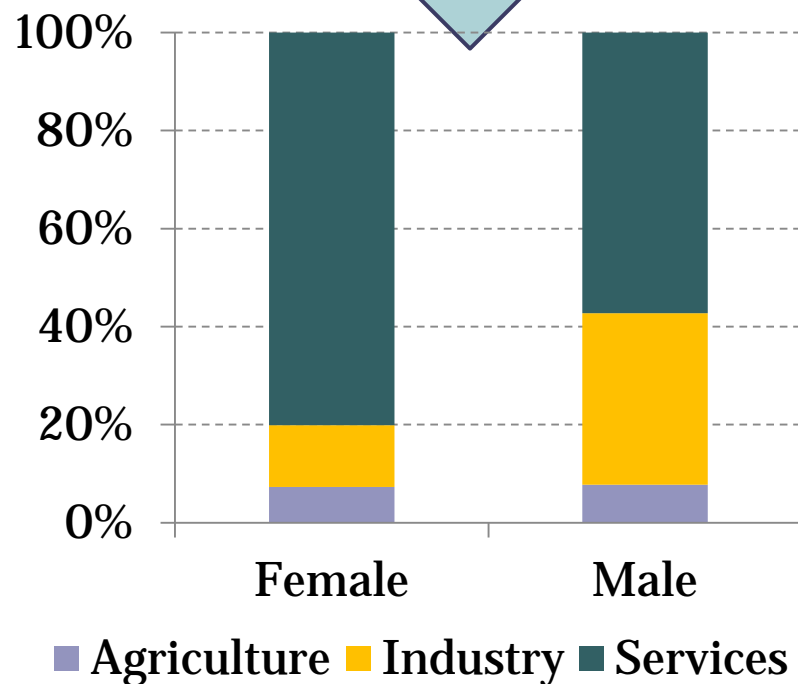
I. Gender gaps in ECA

...but significant and persistent gaps in access to economic opportunity



Large gaps in participation rates

Persistent employment segregation by sector



Source: World Bank GenderStats, 2010.

Source: World Bank GenderStats, 2011. Notes: population 15+

Gender equality matters for development...

- **in its own right**
- Because of its **impact on the wellbeing and prosperity of societies.**

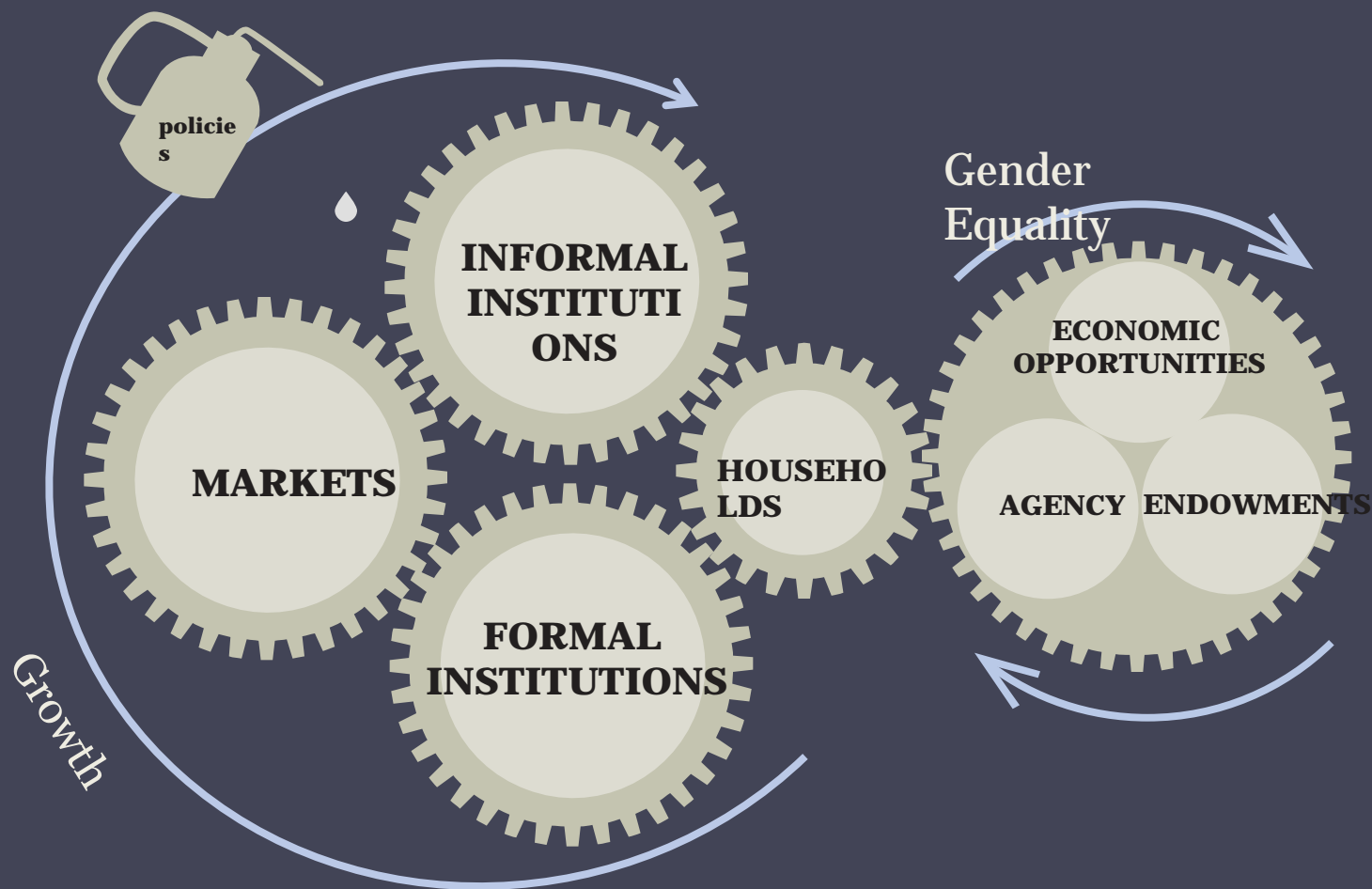
Gender inequality

- Has economic costs
- Shortchanges the next generation
- Leads to institutions and policies that are unrepresentative

III. Framework for understanding gender equality

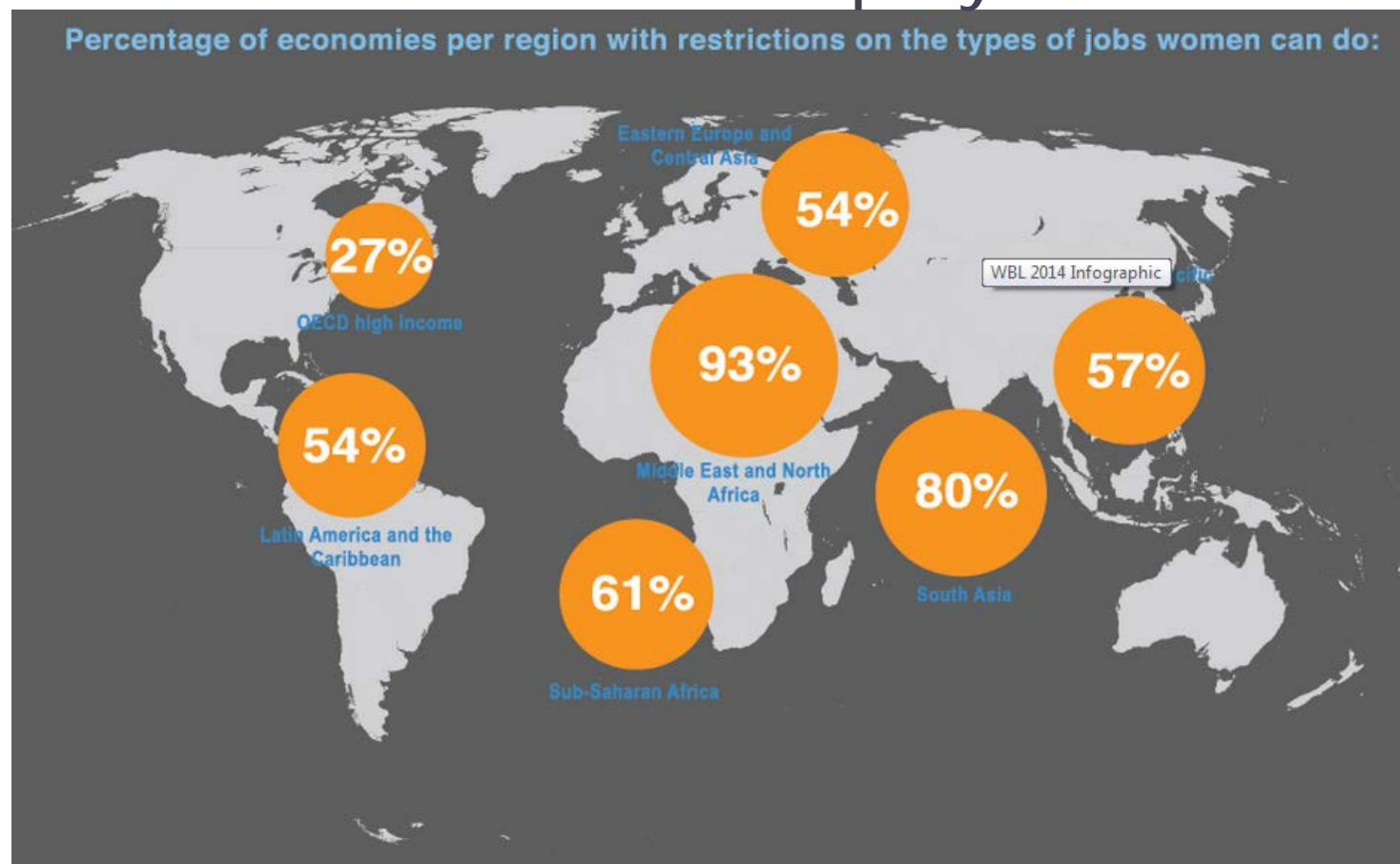
How do we explain gender inequality...

Underlying causes of gender inequality



IV. Labor laws

Half of countries in the region impose restrictions on women's employment...



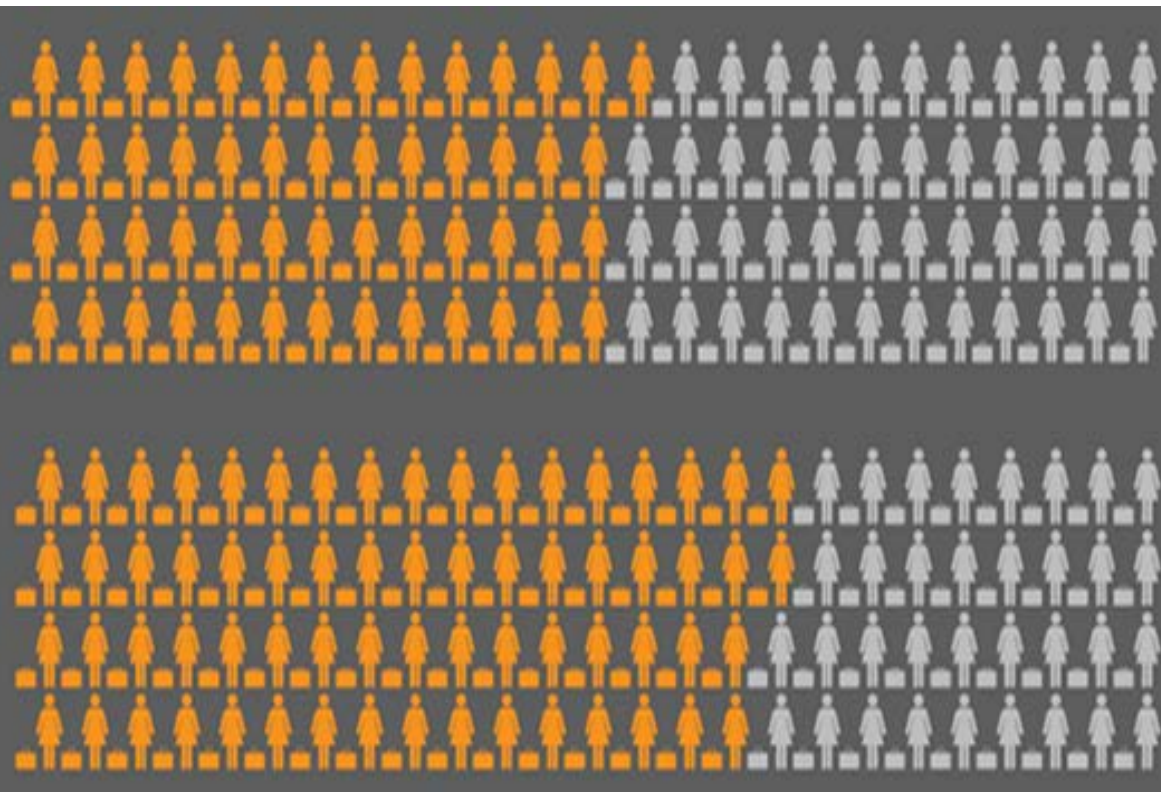
1.6 billion women live in economies with restrictions on the types of jobs they can do

IV. Labor laws

... and restrictions are associated with lower labor force participation and access to jobs

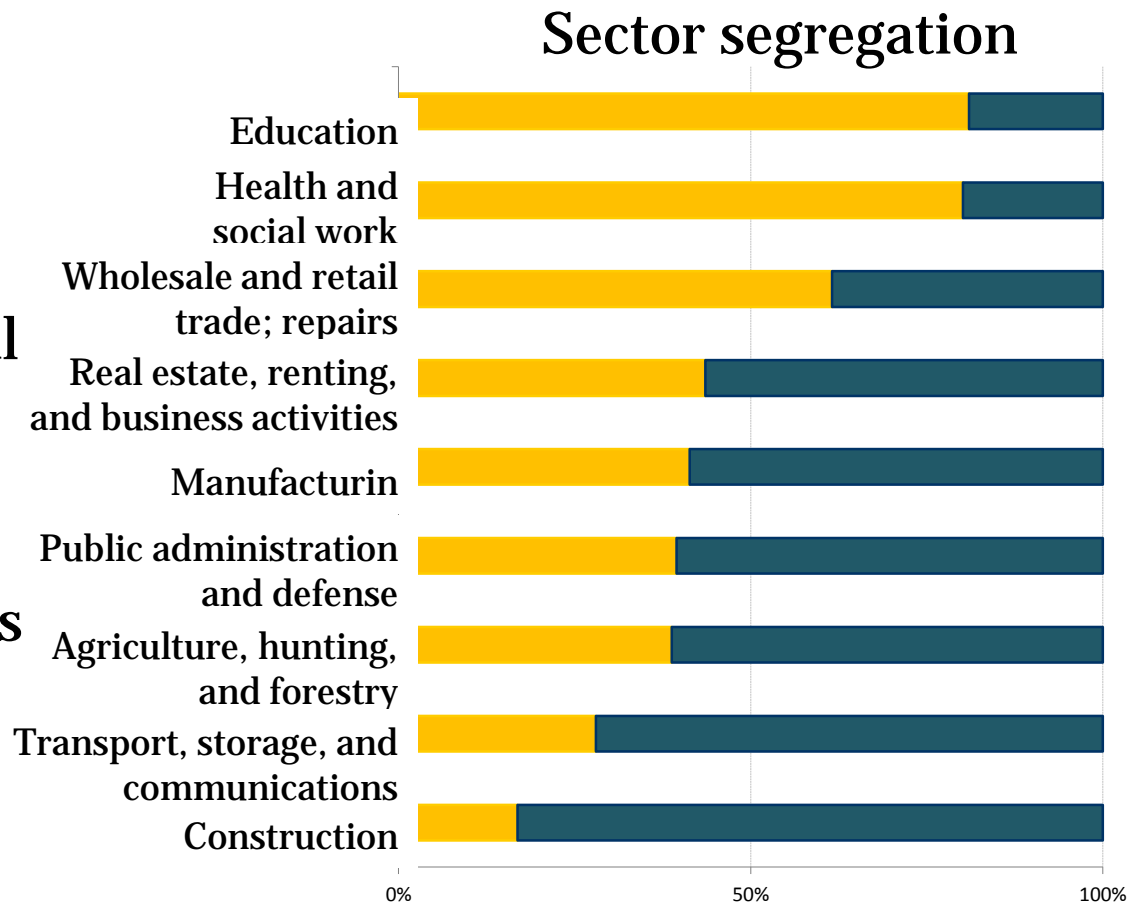
The average female labor force participation rate in economies **with restrictions** on the types of jobs women can do is **53%**

The average female labor force participation rate in economies **without restrictions** on the types of jobs women can do is **66%**



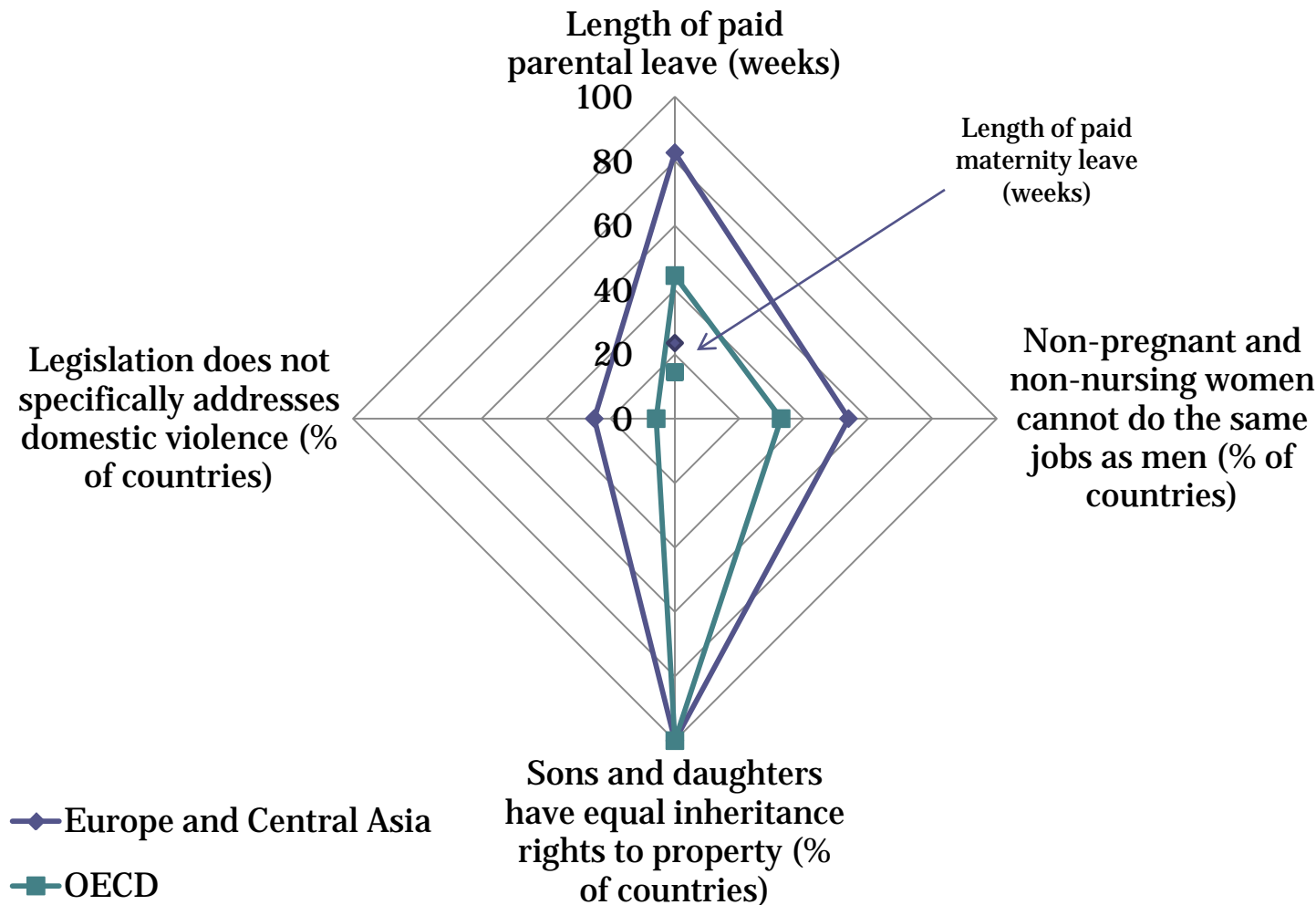
An example: Russia

- Women are restricted from working in 456 different jobs
- As a result, significant sector and occupational segregation in employment with women clustering in low productivity sectors
- This translates into lower earnings and ultimately a gender wage of 31%



*raw gender wage gap, 2010 *Source: KILM 2008*
Source: OECD employment database and RLMS

Non-labor legislation can also impact women's access to economic opportunities



Gender neutral laws can be gender blind and legislation can have a transformative impact

Gender Neutral

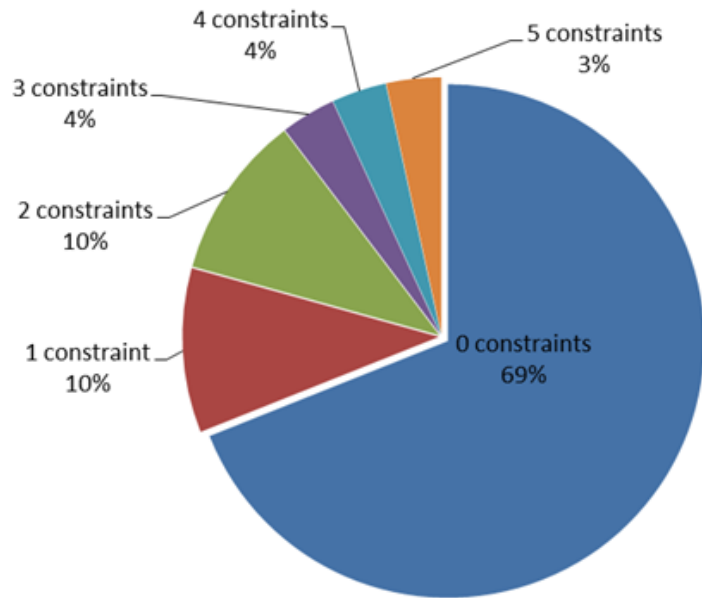
During the 1990s, several countries including Finland, France, and Hungary, made it possible for **parents** to stay home with their children for **up to three years**. In both France and Norway, these policies have led to a significant **reduction in maternal employment rates** during the set leave periods. An OECD study also shows that the provision and gradual lengthening of paid leave have contributed to a **widening in the gender pay gap** of full-time employees.

Transformative

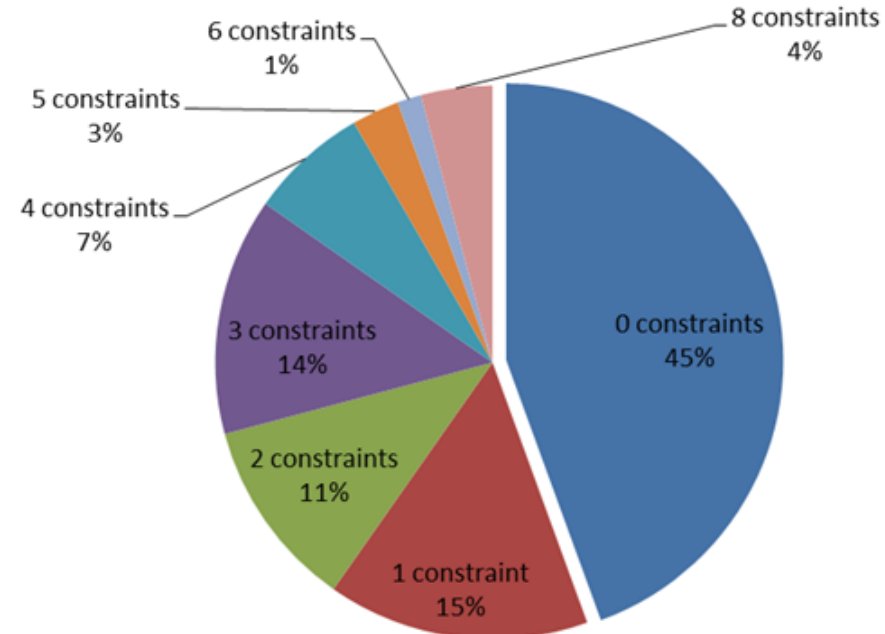
Policies that provide both **paternity and maternity leave** and make the former **mandatory** (as in Iceland, Norway, and Sweden) have the advantage of not being biased against women while also helping to **shift the underlying norms about care**.

(Female) champions make a difference

**Number of constraints in countries with 25%+ women in parliament
- 2010 -**



Number of constraints in countries with 0-25% women in parliament



In this study of 100 countries, effects on labor constraints are strong both in cross-country comparisons and in trends within countries over-time

What should we do to close the gaps?

- ✓ Focus on gaps that do not disappear with growth
- ✓ Target determinants of gender inequality (sometimes multiple – e.g. employment segregation)
- ✓ Remember that gender neutral can be gender blind



Specific policy areas to increase women's economic opportunities...

Formal Institutions

- ✓ Reform **family and inheritance laws** that restrict women's **property rights** and secure enforcement mechanisms
- ✓ Eliminate institutional barriers, e.g., reforming **labor laws** that treat men/women differently

Households

- ✓ Provide affordable quality **child care**
- ✓ Promote **flexible work arrangements**: part-time, home-based work

Informal Institutions

- ✓ Promote paternity leave to make **parental leave** a gender-neutral affair

Markets

- ✓ Target discrimination in labor markets to increase **women's participation** in male occupations/sectors, and formal employment
- ✓ Expand of access to **formal credit** (beyond microfinance), combined with training

What can the WBG do to support this process?

Advancing global knowledge. This means:

- ✓ helping to **fill major data gaps**, which can help to **link legal reform to positive economic outcomes** for women
- ✓ **Strengthening the evidence-base** on what works, and what doesn't, to improve gender equality and women's empowerment in the world of work
- ✓ **Production of public goods** (e.g. the generation or dissemination of new knowledge)
- ✓ Facilitation of **knowledge sharing and learning**

Channeling resources from rich countries to developing countries

Support **coordination across different national and international actors** to promote adoption and enhance effectiveness of policies.