Gender at Work

Emerging Messages

A companion report to the World Development Report on Jobs

A BIG DEAL: GENDER EQUALITY AT WORK MATTERS

Good jobs bring gains for women themselves, as well as for their families, businesses, and communities. They boost self-esteem and pull households out of poverty. Yet gender disparities persist in the world of work. Closing these gaps, while working to expand job growth more broadly, is a prerequisite for ending extreme poverty and boosting shared prosperity.

Gender equality in the world of work is a win-win on many fronts. There is a large and growing body of evidence that demonstrates both the business and the development case. A Goldman Sachs study found that narrowing the gender gap in employment could push income per capita in emerging markets up to 14 percent higher by 2020. Almost half of women's productive potential globally is unutilized, compared to 22 percent of men. Yet across 42 countries, 35 percent of employers report difficulty filling key jobs.

Following the WDR2013, "jobs" are broadly defined to include various forms of wage and non-wage work, formal and informal. The latter is the largest source of employment throughout Africa, Asia, and the Middle East, and working women are more likely than men to be self-employed or farming.

WHERE DO WE STAND?

Gender inequality in the world of work is multidimensional. Broadly, key dimensions include labor force participation, employment, earnings, and jobs that expand agency and choice. The last is the most difficult to measure. However, full-time wage employment is a strong predictor of subjective wellbeing, and jobs that provide benefits, rights, and opportunities for skills development are more likely to expand agency.

On virtually every global measure, women are more economically excluded than men. Trends suggest that gains in women's labor force participation worldwide over the last three decades have been small and slow, hovering around 51 percent globally but as low as 21 percent in the Middle East and North Africa. Globally, men are nearly twice as likely as women to have "good jobs"—full-time jobs for an employer—and, in South Asia, they are more than three times as likely.

Gender gaps can be seen among farmers, entrepreneurs, and employees alike. Female farmers tend to have lower average productivity, farm smaller plots, and grow less profitable crops. In Ethiopia, female-headed households have 35 percent lower value of output per hectare than male-headed households, largely due to unequal access to productive inputs. Female entrepreneurs typically operate in smaller firms and less profitable sectors. In Latin America and the Caribbean, half of established businesses owned by women have no employees compared to 38 percent of businesses owned by men. Female employees are more likely to work in temporary and part-time jobs, are less likely to be promoted, and concentrate in occupations and sectors with lower barriers to entry.

Figure 1. Women are less likely than men to be in the labor force, employed in wage and salaried work, and receiving the same pay: The 10 largest developing countries with available data (representing one-third of the world's population)

Source: World Development Indicators and WDR2013 statistical annex (for wage gaps, except Mexico's wage gap, from UN Statistics).

Women generally earn less than men. ILO analysis of 83 countries shows that women in paid work on average earn between 10 and 30 percent less than men. Gaps are particularly acute in the Middle East and North Africa, but also persist in high-income OECD countries.

Occupational segmentation explains much of the pay gap. Throughout the world, women are concentrated in less productive jobs and run enterprises in less productive sectors, with fewer opportunities for business scale up or career advancement. The latest Grant Thornton International Business Report indicates that the share of women in senior management roles globally is only 21 percent. Across developing countries, 18 percent of non-agricultural self-employed males work in business-oriented services, compared to only 5 percent of females; women are more heavily concentrated into retail services, often in the informal sector.

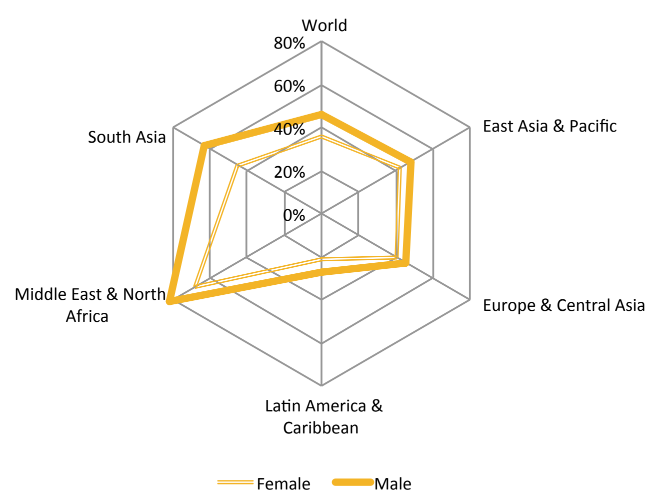
OVERLAPPING DISADVANTAGES AND GENDER EQUALITY AT WORK

Gender-smart jobs strategies need to identify and address key deprivations and constraints that underlie gender inequality in the world of work. The WDR2012 presented a framework for understanding gender inequality, which highlights key outcome areas—agency, endowments, and economic opportunities—and underscores that disparities are driven by multiple constraints that arise in formal and informal institutions, markets, and households.

Social norms are a key factor underlying deprivations and constraints throughout the lifecycle. They broadly impact women's work by constraining their time and undervaluing their potential. Housework, child-rearing, and elderly care are often considered primarily women's responsibility. Further, nearly four in 10 people globally (close to one-half in the developing countries) agree that, when jobs are scarce, men should have more right to jobs than women. Research shows that women are frequently disadvantaged by gender biases in performance and hiring evaluations.

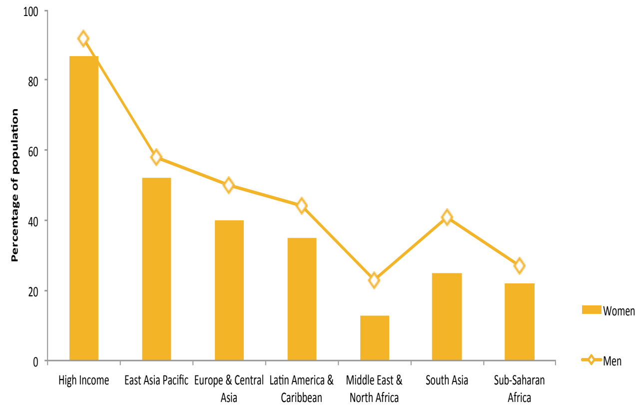
Good jobs increase women's agency, but a lack of agency also restricts women's job opportunities. Agency is the ability to make one's own choices and act upon them. In most developing countries, women have fewer choices in fundamental areas of day-to-day life, including their own movements, health decisions, ability to use household assets, and whether and when to go to school, work, or other economic-related activities. Further, a large proportion of women in the world lack freedom from violence. The World Health Organization estimates that more than 35 percent of women have experienced gender-based violence. Without addressing these critical constraints on agency, women cannot take full advantage of potential economic opportunities.

Figure 2. Share of men and women who agree that, if jobs are scarce, men should have more right to a job



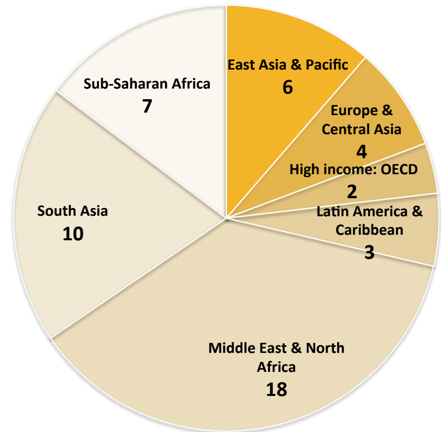
Source: Authors' analysis of World Values Surveys data, 2005-2008

Figure 3. Women are less likely to have a financial account



Source: Authors' analysis of Gallup World data

Figure 4. Average number of sex-based legal differences per country by region



Source: *Women, Business and the Law 2014*

Inequalities in endowments and assets contribute to gaps in the world of work. While there has been important progress globally, in some countries, fundamental deprivations persist. In 2010, girls were enrolled less than boys in primary school by at least 10 percentage points in 15 countries, mainly in Africa. Many women lack access to land and financial capital. However, even where progress is evident in these areas, more deep-seated differences remain. For example, young women and men concentrate into different educational streams and develop differences in non-cognitive skills that underlie occupational segregations. A wider account of productive inputs shows women disadvantaged in areas such as access to financial services, technology, training, information, and social networks.

Legal discrimination is a remarkably common barrier to women's work. Of 143 economies, 128 had at least one legal sex differentiation in 2013. These barriers include restricting women's ability to access institutions (such as obtaining an ID card or conducting official transactions), own or use property, build credit or get a job. In 15 countries, for instance, women still require their husbands' consent to work. In many economies, especially in the Middle East and North Africa, women face the cumulative effects of multiple legal constraints.

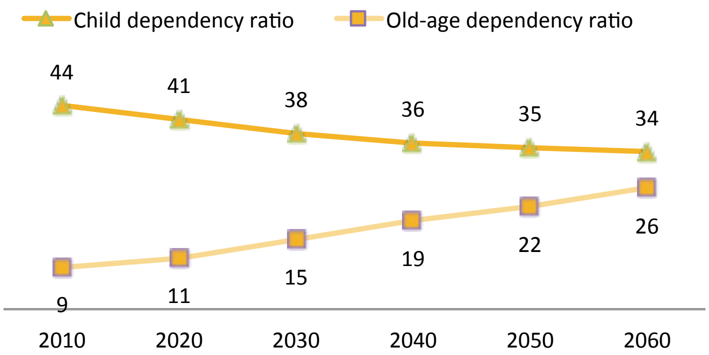
IGNITING WOMEN'S WORK

The WDR2013 made clear that there are no "magic formulas" to address jobs challenges. Nevertheless, effectively tackling gender inequality at work is an integral part of any solution. Overcoming gender inequality involves understanding local specificities and developing bold, coordinated actions to address overlapping deprivations and constraints. It requires investments in women's and men's skills and capabilities, and supporting their abilities to contribute to higher productivity activities and economy-wide competitiveness over the life cycle. Four broad areas are likely to be important.

1. **Eliminate legal and formal barriers to women's work.** Reforms should focus on: removing restrictions to women's work in labor and employment; removing unequal status of women, such as head-of-household provisions, in family law; allowing and encouraging women's ownership and joint-titling of land and equitable inheritance laws; and the application of nondiscrimination principles to customary laws. Most countries have made significant progress towards more equitable laws over recent decades, but this has not been the case in the Middle East and North Africa or in South Asia.
2. **Engage the private sector in promoting gender equality.** The private sector accounts for about three out of four jobs in countries such as Egypt, Finland, and France and nine out of 10 jobs in countries such as Brazil, Chile, Japan, and South Africa. The IFC is supporting commercial banks to increase their female clientele and companies in male-dominated sectors, such as chemicals and construction, to increase women's jobs through more concerted recruitment and family-friendly work arrangements. Multinational firms increased profitability in South Korea by aggressively recruiting women for local managerial positions. While success stories are encouraging, a focus on gender equality is still all too rare. Only 2 percent of employers across 42 countries report having adopted strategies to recruit more women according to ManpowerGroup surveys.
3. **Entrepreneurship can contribute to growth, a dynamic private sector, and new economic opportunities for women.** Women's entrepreneurship can be fostered through a combination of increased access to capital, networks, and new markets; high-quality business skills and development training; and access to broader services that offset gender-specific constraints.
4. **Removing and offsetting constraints across the lifecycle will have broader, more sustainable impact.** Biases can begin very early in life, sometimes in subtle ways, but start trajectories of inequality that are increasingly difficult and costly to resolve over time. The report includes a wider range of action options, but selected examples are highlighted here.

During childhood and youth, policy actions can tackle inequalities through education and training. Examples of strategies that have shown positive results by addressing gender-specific constraints include increasing the proximity of schools to homes in Af-

Figure 5. The share of elderly people is growing in developing countries



Source: UN World Population Prospects data for less developed regions, ratio of children (< age 15) and elderly (> age 64) per 100 persons aged 15-64.

ghanistan and building "girl-friendly" schools in Burkina Faso that improve facilities and incentives for girls' education while engaging parents and teachers. Education systems can challenge stereotypes through curricula. Tanzania's national curriculum includes substantial gender-related material in its secondary school civics syllabus and examinations. Multicomponent skills-development programs can also make a difference. A World Bank-funded youth employment program in Liberia that included vocational and life skills training, along with job placement help, increased young women's employment by 50 percent and average weekly earnings by 115 percent.

For women of productive age, actions can focus on enabling their engagement in paid work. Strategies can include family-friendly leave and flexibility policies, extending affordable childcare and early child development programs, and developing technology and infrastructure to reduce burdens on women's time for household production. For example, the World Bank estimates that adding one year of preschool education in Turkey could increase female labor force participation by nine percent. Father-friendly leave policies in the UK and Nordic Countries have strengthened opportunities and incentives for men to share in domestic responsibilities. A World Bank-supported program in Cambodia reduced women's time devoted to collecting firewood and increased their jobs and incomes by selling low-cost, fuel-efficient cookstoves through local female vendors.

During elderly years, governments can support equitable old-age labor regulations combined with appropriate social protection. The importance of this demographic cannot be ignored. In developing countries, the child dependency ratio is projected to decrease by 20 percent from 2010 to 2050 whereas the old-age dependency ratio is expected to increase by 144 percent during the same period. This translates to increased elderly care responsibilities for productive age women, as well as potential challenges for elderly people themselves. Many governments have removed differences in retirement and pension ages, but differences remain in 49 countries. World Bank analysis showed that mandatory earlier retirement causes steep early labor force withdrawal of urban women in China. In developing countries, many elderly women are outside the scope of formal social protection due to the informal nature of their work, although studies in Brazil and South Africa have shown that pensions received by elderly women significantly increased granddaughters' education and health.

IMPLICATIONS FOR THE WORLD BANK GROUP

The World Bank Group can work to better mainstream and deepen the integration of gender and jobs into its programs in order to advance the goals of ending extreme poverty and boosting shared prosperity.

Integrate gender into country diagnostics. Growth and labor market country diagnostics can identify the gender-specific constraints that women face in accessing productive jobs. In Nigeria, for example, staff diagnostics found high numbers of school dropout and unemployment among girls and young women in rural Edo, and policy actions responded by increasing the number of female teachers in science and encouraging higher participation among girls in the subject. A joint World Bank Group and Asian Development Bank gender assessment for Lao PDR found persistent wage gaps and self-employed women running smaller businesses. The diagnostics informed growth strategy recommendations focused on improving access to finance and business training for women entrepreneurs. A gender assessment in Vietnam identified adverse impacts of gender differences in statutory retirement ages and outlined policy options for addressing the problem.

Advance gender equality as a priority in inclusive growth and jobs strategies. Inclusive growth strategies should consider the reforms and programs needed to address gender-specific constraints to accessing and creating good jobs. This in turn should be reflected in results frameworks and targets. The World Bank Group's own targets can set good examples.

Build implementation capacity for gender-smart jobs strategies and monitoring their results. Improving country-level indicators and monitoring, along with dynamic feedback loops, is critical. In Nigeria, Paraguay, and Vietnam, among others, the World Bank is actively working with national statistics offices to improve the availability and use of gender-disaggregated data. Monitoring the results of inclusive growth strategies on women's jobs and earnings will provide essential feedback on their success.

Contribute to global knowledge. This includes addressing data gaps—such as on wage disparities, control over assets, and gender-based violence in homes and workplaces. It also means contributing to stronger evidence on what works for increasing gender equality in the world of work. The Bank recently launched *enGENDER IMPACT*, a gateway to our gender-related impact evaluations. This effort complements gender innovation and evaluation initiatives in Sub-Saharan Africa and Latin America and the Caribbean, and efforts by the IFC to highlight good business practices.

In the World of Work