



International
Labour
Organization

GLOBAL ECONOMIC CRISIS & GENDER EQUALITY – THREATS, OPPORTUNITIES AND NECESSITIES...

ICA Gender Equality Committee Seminar:
“Global Crisis: Gender Opportunity?”
17 November 2009

Eva Majurin
COOPAfrica, ILO Dar es Salaam

I. The crisis and its gender impacts



The crisis: what are we talking about?

Elements of the crisis:

- contraction of trade
- decline in exports
- fall in commodity prices
- fall in aggregate demand
- downsizing
- fall in FDI
- fall in development aid
- reduced tax incomes
- budget deficits

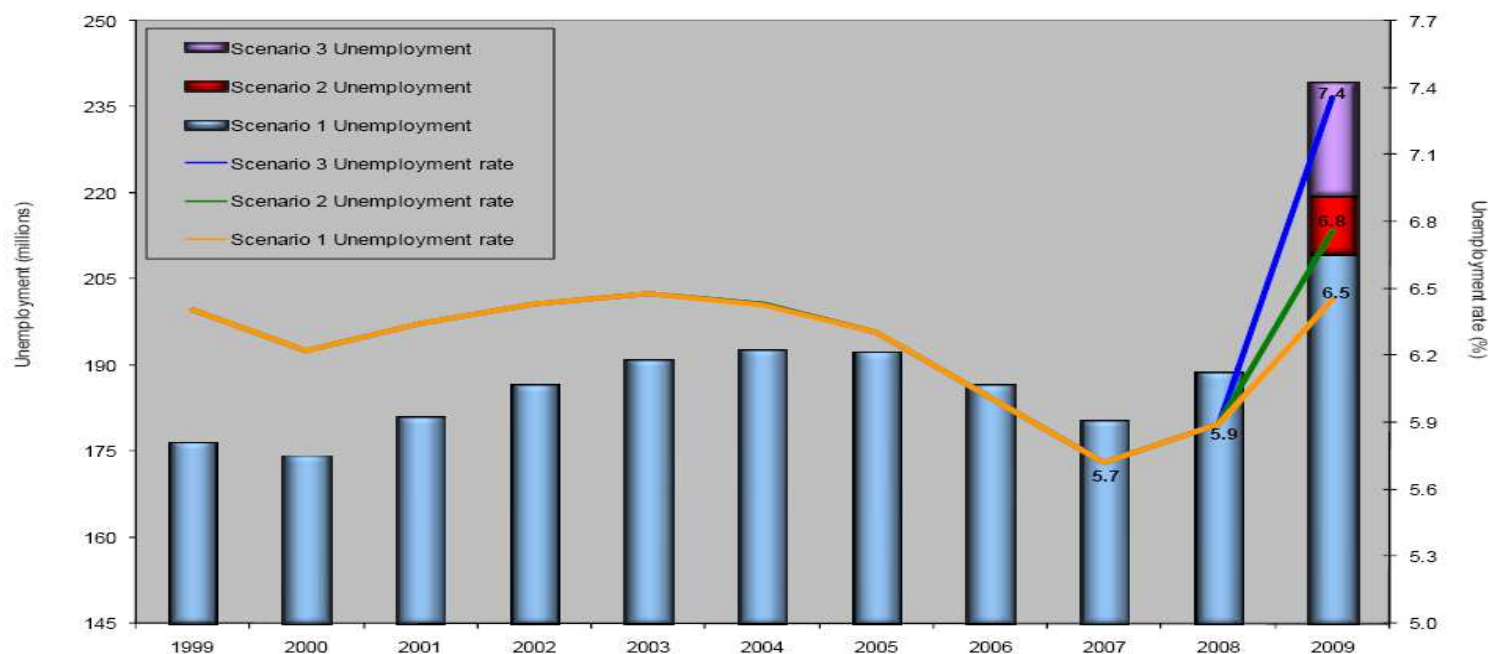


...And impacts on workers & families:

- job losses
- lowering of job quality
- reversals in migration
- reduced remittances
- income losses
- poverty & vulnerability

A few figures...

- Global **unemployment** could increase by 29 million (lowest scenario) to 59 million (highest scenario) unemployed people in 2009 as compared to 2007
- **working poverty** : 200 million workers likely to join the ranks of people living on less than USD 2/day between 2007 and 2009



Note: 2008 are preliminary estimates

Source: ILO, Trends Econometric Models, May 2009.

The Gender Job Crisis before the Economic crisis

Despite advances, inequalities continue to persist:

- **Labour force participation:** In 2008, approx. 25 percentage points lower for women than men worldwide
- Vertical and horizontal **job segregation:**
 - Women over-represented in “5 C’s”: Caring, cleaning, clerical, catering, cashiering
 - Women marginal in legislative, managerial and senatorial posts
- Irregular and **unprotected work:**
 - Over-representation of women in part-time, temporary, irregular and informal employment, and among unpaid family workers
- **Unequal pay** for work of equal value: women’s wages 70-80 % of men’s on average

One example: The Gender Pay Gap



I. DECREASES IN JOBS:

In some countries, initially more unemployment among men:

- In developed economies, unemployment rate increase for men stronger than for women (1.1 percentage points for men vs 0.8 points for women in 2008)
- False 'gains' : closing the gender gap, but through a deterioration of men's situation
- Slower start of the crisis for women – layoff increases also likely in 'female' sectors

In other countries, women hit first. e.g. in textile sectors in some Asian countries

Examples of gendered job losses from the Asian Crisis 1997-8:

- In Thailand, women comprised 95 % of laid-off workers in garments and 88 % in toys
- In Korea, about 86 % of retrenched workers in banking and financial services were women

Source: A. King-Dejardin, 2009

II. INCREASES IN (INDECENT) WORKLOADS:

- **'Distress employment'**: Income shocks to families may drive women to work, without regard for the quality of the work, .e.g as unpaid family workers on farms
- **'Cheap' labour**: Women's employment may rise, and men's fall, if 'cheap' female labour is used to replace decent jobs held by men
- **Unpaid care work**: Service cut-downs & income shocks reducing affordability mean women will have added burden of unpaid care work (for elderly, children, sick)

III. **LESS ACCESS TO PRODUCTIVE RESOURCES (CREDIT)**: Tightening of credit markets, reduced supply of loans funds from donors likely to impact negatively on **microfinance sector** - will lower access of women to financial resources

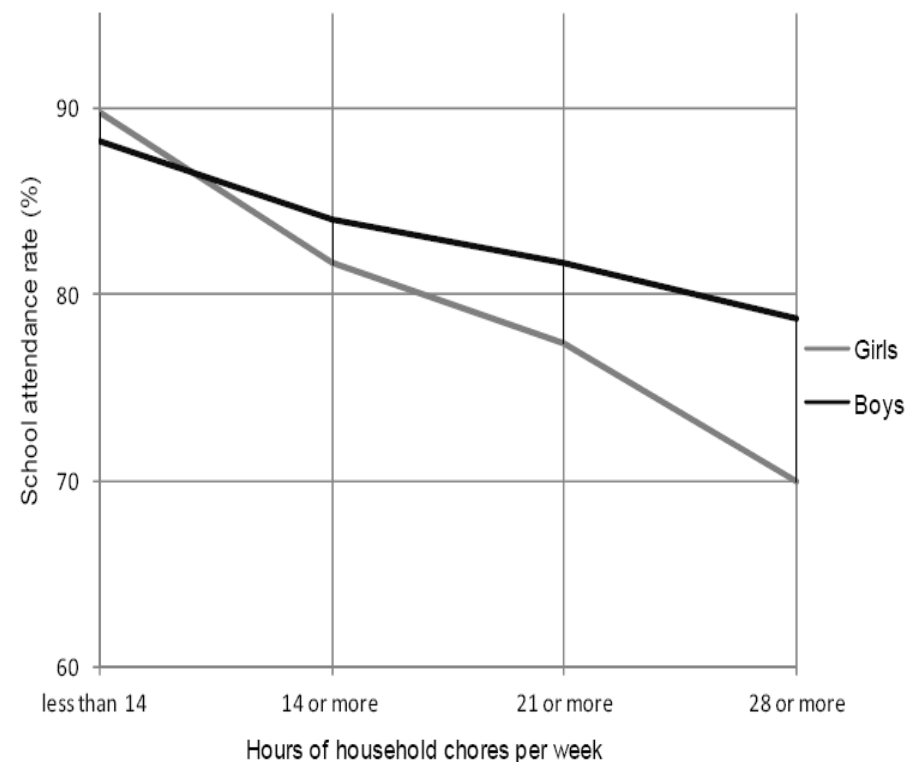
IV. **DIFFERENCES IN SHOCK ABSORPTION**: women's jobs less likely to be covered by **social protection**, e.g. unemployment insurance

In poor countries, effects of crisis & (gendered) household coping choices are likely to jeopardize human and social development:

Examples:

- **Infant mortality:** In Africa, additional 700,000 infant deaths predicted due to the crisis, among them 5 x more girls than boys
- **School withdrawals:** WB studies from Uganda & Madagascar show that in case of negative income shocks, more girls than boys withdrawn from school

School attendance rate according to hours of household chores for girls and boys, 23 ILO member States, most recent year between 1999 and 2006



Source: ILO SIMPOC calculations in ILO, *Gender Equality at the Heart of Decent Work*, Report VI, ILC 2009

Gender equality: 'optional luxury' in times of crisis?

Some examples of the costs of inequality:

MDG3-OVERALL:

- Missing the MDG 3 target could result in **0.1-0.3 percentage point** lower per capita growth rates.

EDUCATION:

- The Asia and Pacific region is losing **\$16 billion- \$30 billion** annually due to gender gaps in education.

LABOUR MARKET INEQUALITY:

- In Latin America, ending gender inequality in the labour market could increase national output by **5 %**

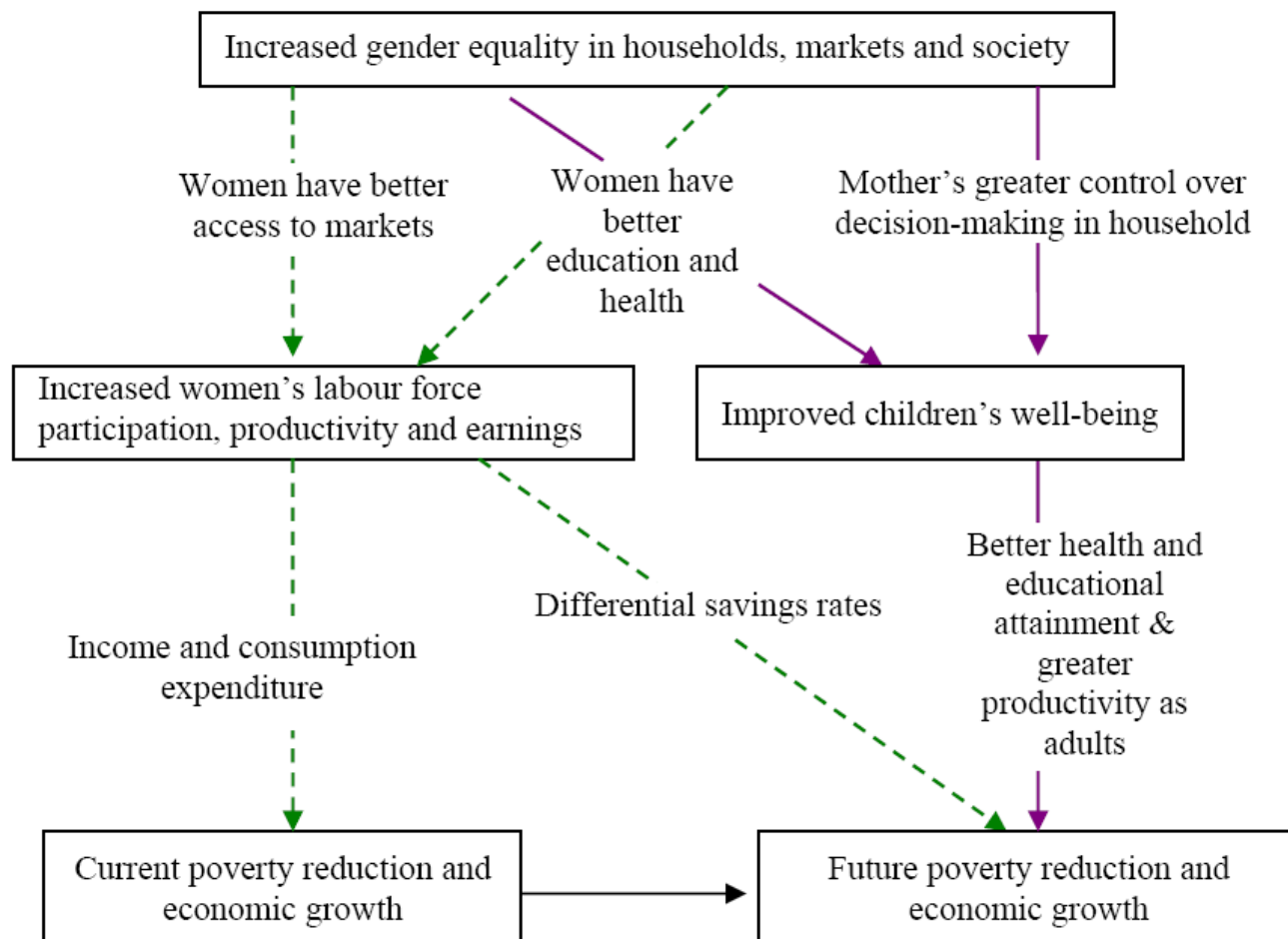
AGRICULTURE:

- In African countries, giving women farmers the same support as men could increase crop yields by **22 %**

Importance of equality in times of crisis: Asian Financial Crisis 97-8

- a study from the Philippines shows that 65% of households experienced a fall income when a man was retrenched, compared to 94% when a woman lost her job

The Benefits of Gender Equality for Development and Recovery



Source: M. Buvinić et al. (eds): *Equality for women: Where do we stand on Millennium Development Goal 3?* (Washington, DC, World Bank, 2008), p. 5.

II. CRISIS RESPONSES



How are countries responding to the crisis?

ILO Survey for G20 Summit - 6 most commonly adopted measures by
Countries surveyed:

- i) additional spending on infrastructure
- ii) subsidies and tax reductions for small enterprises
- iii) credit for small enterprises
- iv) training programmes and facilities
- v) consultations with employers' and workers' organisations
- vi) social protection through cash transfers.

Are crisis reactions & responses gender neutral?

Risks – Reactions/Measures:

- **Deflationary pressures and reduced public spending:** Need to **prevent cuts in public spending** which would threaten jobs in female-dominated sectors, increase unpaid care work, and reduce access to social services
- **Exclusive focus on physical infrastructure:** In public investment programmes, need to **focus on social infrastructure** (e.g. health, education) to reduce unpaid care work & provide employment opportunities
- **Generic beneficiaries:** In employment creation programmes, need to **target women:** e.g. focus on male-dominated industries (e.g. construction) can benefit men quasi-exclusively if women are not targeted

Risks – Process

- Lack of women's voice and **participation** in identifying needs and defining responses; gender-blind **planning and budgeting.**

Putting Gender on the Agenda & into Crisis Responses

International Level :

- **Global Jobs Pact:** response should contribute to “development that more effectively creates jobs and sustainable enterprises, respects workers’ rights, promotes gender equality, protects vulnerable people, assists countries in the provision of quality public services and enables countries to achieve the Millennium Development Goals”

Country level: policies to increase women’s employment, quotas for women in employment, programmes targeted at the poor, facilitation of the combination of work & family ...

- **Chile:** A national tripartite agreement was signed in 2009 for training and employment protection, unemployment benefits and measures for women workers
- **Republic of Korea:** Subsidies given to SMEs for new hires, interns, and for converting irregular to regular jobs – Important impact given women’s preponderance among irregular workers
- **South Africa:** Expanded Public Works Programme – Phase 2 launched in 2009 with the aim of creating 4,5 million work opportunities of an average of 100 days, with a target of 40% women beneficiaries.

III. What about the Cooperative Movement?



- For *enhancing gender equality and promoting women empowerment* :
 - Cooperative **values and principles, democratic and member-driven governance**, among others, are an optimal base for gender equality
 - Strong **commitment to gender equality** internationally (e.g. ICA Gender Strategy, ILO Recommendation 193), regionally (e.g. ICA Africa Gender Strategy Framework), & at the country and cooperative level

- For *responding to the crisis*:
 - Based on members' needs, not profit, therefore in a good position to **address crisis-needs**
 - There is evidence that they are **faring relatively well** in the context of the crisis, e.g.: by mid-09, no cooperative bank seemed to have applied for state aid

Examples of gender-responsive cooperative solutions for cushioning the impact and helping the move towards the recovery abound:

Coping with income and market fluctuations & financing growth:

- In Tanzania, increase of loans to women farmers via SACCOS ; in Kenya, SACCOs developing special loan schemes for women entrepreneurs as part of crisis response

Targeting crisis-hit groups:

- Koperasi (Malang city, Indonesia)- former migrants' coop providing targeted services and micro-credit for migrants returning due to the crisis

Addressing the care crisis:

- Care coops: alleviating unpaid care burden and ensuring access to vital services e.g. For elderly , children, HIV/AIDS infected or affected persons

A few key challenges

However resistant, cooperatives are **not untouched by the negative effects of the crisis**:

- In SACCOS across Africa, 2008 loan growth slower than previous years (12% vs 35.5% in 2007)
- increased cautiousness in new member admission & scaling down loans associated with export commodities

Despite substantive contributions to enhancing women's livelihoods and situations, **realising gender equality remains a challenge** in the cooperative sector :

- Under-representation of women in membership and in leadership positions
- Active participation? equitable access to services? family-friendly workplaces?

And a few questions

- **Cooperating equitably in times of crisis:** In times of scarce resources and risks to enterprise performance, how do we ensure gender equality remains a priority for the cooperative movement and beyond, and that productivity concerns do not obscure, but make use of, social opportunities?
- **Mainstreaming the cooperative potential in crisis response:** How is cooperative potential for gender equality and women empowerment translated into crisis responses?
- **Short term and long term gains:** How do we make sure good practices established during the crisis do not disappear, but are integrated sustainably in institutions, policy frameworks, and practices?

A decorative horizontal bar consisting of a red square on the left and a yellow rectangle on the right.

Thank you

www.ilo.org/coopafrika